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K. H. I GHATAPRABHA

ROLL NO:- 6

N. G. GANPULEY

(PAPERS)

CONTD FROM:- FILE NO:- 21 Page. 1

S. P. A
J. K. J

FILE NO-21

1959 - 1963

PAGE - 1 TO 137

Draft Proposal

for the Import of India Products

I) Mr. Dr. S. Dugal, Hamburg 36, Abteistrasse 1, will for the purpose of introducing into the area of the Federal Republic of Germany interest his Indian friends to consign certain quantities of

1) cashew kernels
2) walnuts and walnut kernels
3) pepper
4) chillis
5) [illegible]
6) saffron

into the warehouses of the free-port of Hamburg.

II) It is to be considered that the quality of the goods to be imported may be raised to a fixed standard type as a stable basis for the sale to

a) the German industry
b) the German consumer organizations

Dr. Dugal, with the assistance of Otto Bertram & Co. and Mehrstedt & Sprung, will study the methods of creating such standard types, for instance

c) finding out a method to prevent moisture from cashew kernels,
d) to manufacture trial quantities of cashew kernels for the direct consumption in the households,
e) to find out how walnuts can be bleached either in India or in the free-port of Hamburg in the cheapest and best way.

III) A special agreement between

a) Dr. Dugal

and

b) the firm of Otto Bertram & Co. for the sales to all industrial buyers

and

the firm of Mehrstedt & Sprung for all sales to consumer organizations for direct consumption without any refinery process

is planned.

Dr. Dugal will place at the disposal the aforesaid Indian goods at best possible prices.

/2...

The Bertram Group will place at the disposal

the whole sales organization of Otto Bertram & Co. for the sale of the Indian goods to the German industry,

Wehrstedt & Sprung their wholesales organization for the sale of Indian goods to the consumers'organizations - wholesalers and retailers - for direct consumption in the households or in the restaurants and other places.

The Bertram Group will do their best to introduce the Indian goods included in this agreement in the area of the Federal Republic of Germany, and other northern Countries

Dr. Dugal and the Bertram Group will be interested in the obtained profit 50 : 50 on the basis of the purchase prices to the Bertram Group and the sales prices by the Bertram Group to their buyers, both calculated beforehand in agreement with both parties less the purchase fees including the general costs of the management and the commissions and expenses of the sales agents, etc.

At the end of each month, an account will be adjusted including the turnover liquidated entirely up to the date of the adjustment of the account. A copy will be delivered to Dr. Dugal and to the Bertram Group for examination.

All differences arising from these accounts are to be arranged on a friendly basis. An arbitration may help to come to an arrangement. In this case, each party has to nominate an arbitrator. The two arbitrators may choose a chairman. If they cannot find one agreed to by both parties within a period of a fortnight, the President of the Chamber of Commerce in Hamburg will be asked to nominate a chairman. This is the ruling custom of the Hamburg market.

The profit as per the agreed to monthly account at the disposal of both parties has to paid out in cash.

Both parties intend to develop this mutual business so that a current turnover will be achieved. Both parties will do their best to enable every progress they can obtain with their own lines

The agreement is intended to go on indefinitely, but eachparty

[illegible]

is entitled to quit the agreement by the end of each year on the basis of a warning of 6 months, i.e. the 30th May latest, so that both parties may have time enough to take the necessary arrangements in time in order to prevent avoidable losses.

The preceding draft proposal is the first trial without any engagement, only to have a platform for the free reflection of both parties.

Hamburg, October 31st, 1959

A. Willy FRAASS Düsseldorf
Goethe Str 51

Mannchehr Eghbal
Hamburg Johannisw all 44

Parsons Export AG Hmbg Rathhaus Str 2

Reis + Schreiner Wandbeck
Brauhaus stieg 52

Graphische Maschn GmbH
Spandau Reichsstr 3 Berlin - Spandau
Reichsstr 3
K Stenzel Berlin SW 61
Hasenheide 9

A Bachtal

Kohlbach Druckerei Masch
F Steinmetz Mittelweg 54 Hannover
Salzgitter Braunschweig
Thomas Graphische Maschinen GmbH
Schwanenstr 6 Frankfurt —
Schelter & Giesecke GmbH
Zellerstr 20 Würzburg

Price structure

Cost price = CIF Price
Duty
Handling charges
Interest
Godown charges if any

Selling price" for raw nuts

Selling price for processed nuts.

Mr. Ganpuley of Ganpuley and Co who has 35 years of trade experience of Indian and continental marketing will ~~the~~ one of the associates. He will be particulary interested in making the purchases in the actual producing areas of the material that the firm will be handling For this work he ~~she~~ will charge 2% on the goods purchased for the company

Then in Germany he will help in the administrative side of the ~~Company~~= company and will be paid DM per month towards cost of his living here.

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Mr. Dr. G.S. Dugal

Hamburg 36
Abteistrasse 1

16th November, 19[illegible]
B/Si

Dear Sir,

We herewith confirm the following agreement with you:

1) You will for the purpose of introducing on the area of the Federal Republic of Germany interest your Indian friends to consign certain quantities of

a) Cashew kernels,
b) Walnuts and walnut-kernels,
c) Pepper,
d) Chillies,
e) Cardamom,
f) Saffron

in the warehouses of the free-port of Hamburg at cheapest possible prices for the sale through us and our firm Bertram, Johrstedt & Sprung, Hamburg, (Bertram-Group) at highest possible prices. The prices which the Bertram-Group will have to pay and those at which the sales of the Bertram-Group to their buyers have to be made are to be calculated openly by both parties beforehand.

2) It is your intention that the quality of the goods to be imported will be delivered as per special standard types as a stable basis for the sale to

a) the German industry
b) the German consumers' organisations

3) The Bertram Group will place at the disposal

the whole sales organisation of Otto Bertram & Co. for the sale of Indian goods to the German industry,

Johrstedt & Sprung their wholesales organisation for the sale of Indian goods to the consumers' organisations - wholesalers and retailers - for direct consumption in the households or in the restaurants and other places.

4) You and the Bertram Group will be interested in the obtained profit 50 : 50 on the basis of the purchase prices to the Bertram Group and the sales prices by the Bertram Group to their buyers, both calculated beforehand in agreement with both parties less the purchase fees including the general costs of the management and the commissions and expenses of the sales agents, etc.

At the end of each month, an account will be adjusted including the turnover liquidated entirely up to the date of the adjustment of the account. A copy will be delivered to Dr. Dugal and to the Bertram Group for examination. The profit as per these monthly accounts are at the disposal of each party immediately after approval. The amounts have to be paid at once.

5) Both parties intend to develop a current business and are willing to do their best within their own lines (1 and 2) and (3).

6) This agreement is intended to go on indefinitely, but each party is entitled to quit the agreement by the end of each year on the basis of a warning of 6 months, i.e. the 30th June latest, so that both parties may have time enough to take the necessary arrangements in time in order to prevent avoidable losses.

7) All differences arising from these accounts are to be arranged on a friendly basis. An arbitration may help to come to an arrangement. In this case, each party has to nominate an arbitrator. The two arbitrators may choose a chairman. If they cannot find one agreed to by both parties within a period of a fortnight, the President of the Chamber of Commerce in Hamburg will be asked to nominate a chairman. This is the ruling custom of the Hamburg market.
In accordance with the German law, the arbitration clause is to be confirmed in a separate agreement.

We hope that this agreement will develop successfully to the satisfaction of both parties.

Yours faithfully,

Otto Bertram & Co.

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16th November, 1939

Mr. Dr. C. B. Dugal
Hamburg
Abteistrasse 1

Dear Sir,

We herewith confirm our agreement that all differences arising from the monthly accounts are to be arranged on a friendly basis. An arbitration may have to come to an arrangement. In this case, each party has to nominate an arbitrator. The two Arbitrators may choose a Chairman. If they cannot find one agreed to by both parties within a period of a fortnight, the President of the Chamber of Commerce in Hamburg will be asked to nominate a Chairman. This is the ruling custom of the Hamburg market.

Yours faithfully,

9

16th November, 1959
B/Bo

Mr. Dr. G. S. Dugal
Hamburg 36
Abteistrasse 1

Dear Sir,

We herewith confirm the following agreement with you:

1) You will for the purpose of introducing in the area of the Federal Republic of Germany interest your Indian friends to consign certain quantities of

a) Cashew Kernels,
b) Walnuts and Walnut-Kernels,
c) ~~Raisins (dried)~~
d) Pepper,
e) Chillies
f) Cardamom,
g) Saffron
~~h) other Indian or Asian Products~~

in the warehouses of the free-port of Hamburg at cheapest possible prices for the sale through us and our firm Messrs. Behrstedt & Sprung, Hamburg, (Bertram-Group) at highest possible prices. The prices which the Bertram-Group will have to pay and those at which the sales of the Bertram-Group to their buyers have to be made are to be calculated openly by both parties beforehand.

2) It is your intention that the quality of the goods to be imported will be delivered as per special standard types as a stable basis for the sale to

a) the German Industry
b) the German consumers' organisations

3) The Bertram Group will place at the disposal

the whole sales organisation of Otto Bertram & Co. for the sale of Indian goods to the German industry,

Behrstedt & Sprung their wholesales organization for the sale of Indian goods to the consumers'organisations - wholesalers and retailers - for direct consumption in the households or in the restaurants and other places.

4) You and the Bertram Group will be interested in the obtained profit 50 : 50 on the basis of the purchase prices to the Bertram Group and the sales prices by the Bertram Group to their buyers, both calculated beforehand in agreement with both parties less the purchase fees including the general costs of the management and the commissions and expenses of the sales agents, etc.

At the end of each month, an account will be adjusted including the turnover liquidated entirely up to the date of the adjustment of the account. A copy will be delivered to Dr. Dugal and to the Bertram Group for examination. The profit as per these monthly accounts are at the disposal of each party immediately after approval. The amounts have to be paid at once.

5) Both parties intend to develop a current business and are willing to do their best within their own lines (1 and 2) and (3).

6) This agreement is intended to go on indefinitely, but each party is entitled to quit the agreement by the end of each June year on the basis of a warning of 6 months, i.e. the 30th May latest, so that both parties may have time enough to take the necessary arrangements in time in order to prevent avoidable losses.

7) All differences arising from these accounts are to be arranged on a friendly basis. An arbitration may help to come to an arrangement. In this case, each party has to nominate an arbitrator. The two arbitrators may choose a chairman. If they cannot find one agreed to by both parties within a period of a fortnight, the President of the Chamber of Commerce in Hamburg will be asked to nominate a chairman. This is the ruling custom of the Hamburg market.
In accordance with the German law, the arbitration clause is to be confirmed in a separate agreement.

We hope that this agreement will develop successfully to the satisfaction of both parties.

Yours faithfully,

H A M B U R G -13
Abteistrasse - 1

November 21, '59

Mr. N. G. Ganpuley,
Hamburg - Wandesbeck,
Koenigstrasse 3,

Dear Mr. Ganpuley,

With reference to the arrangements arrived at between Messrs Otto Bertram & Co. Hamburg and myself vide our mutual agreement dated the 16th instant (a copy of which has already been handed over to you) I have pleasu in hereby confirming that you will be associated with this arrangement,as specified below, throught the currency of the enterprise.

You have undertaken to effectively organise the purchase of the commodities,mentioned in the agreement dated 16th. instant, from the producing centres in co-operation with our office in Bombay or independently as found mutually beneficial.

I confirm that you shall be entitled to an over-riding commission of 1% (one percent) on the value of goods purchased on our behalf. It is also understood that all purchases from India covered by our agreement with Messrs O. Bertram & co. dated 16th. instant, directly or indirectly shall be considered as contribution from your side.

You have also undertaken to generally give your best attention to the sucessful development of our arrangement with Messrs Bertram & Co.

I would appreciate if you would kindly sign on the duplicate copy of this letter, in token of your confirmation of the above arrangement.

It is mutually understood that in the event of any difference of opinion concerning this arrangement at any time during its validity, the matter will be resolved through friendly arbitration.

Yours Sincerely,

G. S. DUGAL

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HAMBURG -13
Abteistrasse - 1

November 21, '59

Mr. N. G. Ganpuley,
Hamburg - Wandesbeck,
Koenigstrasse 3,

Dear Mr. Ganpuley,

With reference to the arrangements arrived at between Messrs Otto Bertram & Co. Hamburg and myself vide our mutual agreement dated the 16th instant (a copy of which has already been handed over to you) I have pleasure in hereby confirming that you will be associated with this arrangement, as specified below, throught the currency of the enterprise.

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You have also undertaken to generally give your best attention to the sucessful development of our arrangement with Messrs Bertram & Co.

I would appreciate if you would kindly sign on the duplicate copy of this letter, in token of your confirmation of the above arrangement.

It is mutually understood that in the event of any difference of opinion concerning this arrangement at any time during its validity, the matter will be resolved through friendly arbitration.

Yours Sincerely,

G. S. DUGAL

N. Ganpuley

DUGAL HOUSE, BACKBAY RECLAMATION, BOMBAY

13

16th December, 1959

My dear Ganpuley,

I reached Bombay yesterday by Victoria.

I expected a letter from you giving me details of the results from the Scientist. I hope you would kindly keep this matter under prominent attention.

Both my colleagues and myself here are of the opinion that since marketing in India has to be under your control it is very necessary that you should try to reach India as early as possible and in any case at least six weeks before my return to Hamburg. Although I do not know the exact date of my return as yet but I expect it will be not later than 15th February, 1960.

I am very anxious that the whole machinery is set into operation satisfactorily as early as possible so that the business is in actual operation not later than the spring of 1960.

Hoping to receive your early reply,

With kind regards,

sincerely,

G. S. DUGAL

Mr. Ganpuley, N.G.
C/o. 1, Mayer & Co.,
Hamburg - Wandsbeck,
Koenigstrasse 3.

Apart from Cashew which will start moving now you have in vie following projects. These are all different intheir set u) and it will be interesting to discuss each on its own merit :

Cashe, : Unfortunately the progress has been slow. Now that the start is imminent we may forget the past. I met Mr. Bertram and told him that you ~~ha~~ have shown great patience and integrity. Any other man at your place would have lost the nerve, and taking opportunity of favorable market would have safely sold the whole lot of Cashews and pocketed the profits. You have kept up to your word of long term program and as such it is now upto Bertram to see that you are not let down.

The future of cashew will however depe-nd on steady supply with non fluctuating price. I hope you had talks with Messrs Pierce Leslie and co Ltd. Apart from that something will have to be done regarding setting up of a factory preferably in Goa.

One can prepare some ithai (sweats) with the paste made from baby bits as like Mugat or Marzipan.

Manufacture of Canned and salted nuts : Like as moving. I have written to Coir Board to find out the different centres with slaughterhouses where sheep is slaughtered. As the supply of machinery for output will take some time the work of manufacturing salted nuts will have to be started first at one or more centres.

Messrs Palmer and Co are preparing to get the details of required machinery for peanut and also for salted nut shelling. It is to be a satisfactory arrangement and will surely be profitable. You will pay greater attention to it when in India. Main thing what we need is to have the access to the slaughter houses and to collect the required intestinal material fresh. We must try to come to some arrangement with Government. The Minister of Commerce of Kashmir was expected here on the 20th when I wanted to discuss with him things in detail but unfortunately he cancelled his Bombay program. Nuts export should support the link deal.

Hydrogen peroxide plant : What arrangements regarding the take up of textiles have been made. What is thenature of textile and in what time this has to be lifted.

Prof Maria May : What is exactly the procedure planned or thought out by you in connection with the displays of Prof May. Interested business houses will be invited and if immediate interest is created have we got idea of prices, samples, suppliers ~~ready~~ ready at hand or we are only going to note down their wishes and make the selection and purchase when Mrs May comes to India as arranged by you.

Will this textile also come to your aid in the line deal of Hydrogen Peroxide ?

Manhattan Project : I have already expressed my views on this STC close cooperation may help you over the cliffs and gulfs

had a call from Mr. Sparke in reply to my letter offering the bye products of coocery in Rourkela as offered by Messrs Kabali. I have called for the book of specifications from Kabali. It may be done independently by Bombay office also. Mr. Sparke showed interest in Benzol. Alkohol remains as before, further he is interested immediately in release if available 10 to 15000 tons naturally all these purchases must be against relative exports from here.

We would go to a number of things in the Hannover Exhibition but I did no time. One important thing is the manufacture of flexible tubes and shafts. The old firm of 100 years standing which is still resistant could be made to join hands. It will be a very good industry. Negotiations may be taken up if interested.

Tea business has to be tackled being one of the important export items which will be easier to negotiate than Cashew in the market. You will have to reopen the talks at Delhi. Of bringing the goods and participating in the profits

As far the some of the item on business side : Now you have been considering three removable projects namely Frankfurt, Düsseldorf and Kiel what will be your financial commitments in what and what provisions you have made for that. Import trade to Germany need not always be in the form of opening a credit. It ought to be put on the lines of 60 or 90 days D/A basis as is being done for certain commodities. Only if we are successful in arranging that you can release the money for building investments. These are only my suggestions as we have never talked as yet on that subeject.

20/9/60

Project Manufacture of Mobile Hospital cars in collaboration with Mr. Hermann Meise

This should be an interesting project Good deal of preliminary work has been already done on it.

So far we have been contacting only the Health Ministry but this Unit is equaly important for Defence

Project to manufacture Light
Metal Poles and masts

Mr. Steinbichler who was intrdduced to me by Mr. Nambiar our late Ambassador in Bonn. The particulars have been sent to you to Bombay.

We have requested Mr. Steinbichler to meet us either in Dusseldorf or in Frankfurt on the 3rd for further talks

Light weight Tube Poles

30th Sept 60

All the details about these poles are enclosed herewith.

We have asked Bombay office to investigate the possibilities of getting suitable MS sheets for the manufacture in India. and if so send to us the analysis of such sheets and the ruling prices and quantities which could be made available.

From the enquiries which we are receiving from other quarters I am lead to believe that these sheets will not be available in India for some time to come and the same will have to be imported. One has therefore to ascertain about the home supplies and if not to find out if imports of this material that is the MS sheets will be allowed in sufficient quantities to ensure the production.

Cashew : The local demand of Raw Cashew kernels is for 320 counts and baby Bits. There are very few buyers for better counts. If we want to organise the wholesale imports of Cashew to this market we must have best offers for the above qualities only.

In order to be able to maintain a steady price level of our packed material, I do not think there is any other alternative than having our own factory large enough to supply us our counts and to be able to sell the other counts in open market. Otherwise the purchase of our material becomes speculative and consequently difficult to maintain our price level here. We cannot possibly increase our price for packed Cashew. It is already high though qualitative better than any in the market.

Baby bits or even smaller material if made into paste could go in the fillings of Chocolate and may be also made into good marketable Indian Sweets or Toffee.

A better wholesale import can only be developed by contracting in season for large quantities. But this may turn out to be speculative. The best way is to seek cooperation of a reliable old firm in the line, like Pierce Leslie as an alternative to our not having a factory ourselves.

Manioc Meal. The season for this will have set in. If we want to do anything in it, we must seek collaboration of a reliable crusher of Manio roots. I shall get the samples which I am receiving from Ernakulam tested here, and shall to negotiate business if I could get prices round about Pounds 20.-- 21.-- per TON C.I.F. I have written about it to Bombay and also to Delhi in reply to a letter of Mr. Chaudri in connection with his talks with BTC.

Alkonol : Kindly get the samples and offers from your friends whom you met in London. The same party would be the supplier for Molassis about which Mr. Sparke has been asking. One has also to investigate about shipping facilities for Molassis. Tanker type of ship carrying Molassis have been operating.

Textiles: We shall have three different types of materials to handle Greys and other materials of Data group for processing and wholesale to the trade or Dressmakers

Commonwealth Handloom material for dress making, furnishing and Toweling etc

And such other material as would fit in the designing and dress-making program of Prof Maria May according to her suggestions as a result of the fashion shows.

Link deal in CottonTextile will mean substantial quantities which will in turn ~~mean~~ depend on the to-tal Quota for Indian textiles and the share of that ~~quota~~ quota available for such a deal. If such deals are bound by Quota restrictions then I am afraid the general quota for Indian textiles and the available share of it may not be enough to put through any ~~deal~~ deal that is based on such textiles as are dependent on licences.
It will be a different thing if linkdeals were to be independent of Quota restrictions, or we can make ourselves indepenent of it through sales outside Germany vide proposals of Dr Hedricks

CLINOMOBILE

Clinomobile is a hospital unit on wheels meant for military and civil sector.
These are manufactured in various sizes for various purposes for example the one offered as per propspect in bald black and red cover is the most comprehensive unit fitted with trucking vehicle and fitted with air condi tioning, X ray, Surgery etc as per description given in that leaflet which costs about Dollars 55.000.— FOB Hamburg.

Apart from this there are smaller units for various special purposes like Dental Unit, Opthalmis Unit, Ear nose and throat unit etc etc .

I have asked the manufacturers to furnish us with details and approximates prices for such units.

The manufacturer Mr. Hermann Heise has always been very keen about manufac turing these units in India and has been trying for it since last three years. Mr. Karmarkar our Health Minister has been approached several times Once Mr. Karmarkar even told me that he will be able to order out one Unit from his own budget if the payments could be accepted in Rupees.

Mr Heise is ready to manufacture these in India and for that the conditio. was that initially one or two units may be purchased and later on one can start the manufacture according to their plans. As all their Units are built on Mercedez Benz Chasis which are available in India and as the Bodies also can be built in India there will be a large saving. To start with we shall have to import only the Xray , surgical and other equipments which are not manufactured in India as yet. However in my opinion quite a substantial part of this equipment will also be manufactured in India very soon under the guidance of Mr Heise.

There is already one Dental Unit of this manufacturer in India which was presented by German Government to India when von Blucher visited India in 1953.

Once a point was raised for the sake of argument that our roads are not fit fortnat. But it is not a correct statement. Our roads through out India are used to heavy truck traffic and except for the large unit all the other units will be as large as our Omnibusses plying all over the country.

The manufacturer is today heavily booked with orders from all over the world but even then he wants to do something for India about which he is very much disappointed.

Hamburg 30th Sept 60

LIST OF GOODS FOR IMPORTS.

Description.

1. Dyes derived from Coal tar and tar derivates.
2. Wireless instruments and apparatus parts namely:
   a. Electronic valves.
   b. Condensors.
   c. Resistances.
   d. Loud speakers.
3. Textile Printing Dyes.
4. Artificial silk yarn.
5. Printing, Lithographic materials namely:
   a. Offset printing.
   b. Packaging machinery.
   c. Automatic cartoon grinding machines.
   d. Letter Press machinery.
   e. Photographic press materials.
6. Machine tools namely:
   a. Grinding machines.
   b. Drilling machines.
   c. Welding & Gas cutting machines.
7. Generating sets.
8. Electric Motors 50 H.P. and above.
9. Snap Fasteners.

LIST OF GOODS FOR IMPORTS

Description

1. Machinery required for other Industries and undertaking (Reduction gears etc)
2. Fractional H.P. Motors upto 1 H.P. suitable for D.C. supply of single phase
3. Alloy Piston Assemblies
4. Fuel Injection Equipment
5. Piston Rings (6" and below)
6. Pneumatic Plants consisting prime movers & Auxiliary Equipment including parts thereof and electric Tools and parts (Drilling Rods also Compressors with Prime movers Diesel only)
7. Parts of Machinery when required for industries and undertakings other than cinem and refrigeration and also other than spare parts of machinery falling under S.No. 65 (1-4) vii b.v.

23

Attention: Mr. Ganpuley

I am endlosing herewith a list of the articles which we are interested in importing into India. I expect to obtain the 1st licence worth approximately DM 300.000,-- during my visit to India.

Would you kindly make the necessary contacts with the right parties and obtain offers. Items of particular interest are marked in red.

I shall be obliged if you kindly send me full particulars of the above at my Bombay address as early as possible.

29th.Sept.

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OFFICE NOTE.

For every proposal from Messrs. Hoffman & Schwabe the following preliminary information is necessary:

1. Capital cost of suggested machinery.
2. Output in terms of finished goods per day or week or month.
3. Raw materials required for the said output.
4. Labour man-hours required for the same.
5. Approximate cost of running all machinery and other overheads.

Hamburg.
5.10.60.

GSD/s.

Mr. Ganguly

The Silver articles could be imported without restrictions
The present price of silver here is DM 127.-- per Kg
which means DM 0.12.7 Per Gramm or about 14.35 nP
The Indian price is 0.20 nP.

The Import Duty is 6% of the CIF Value
Plus Tax on the gross import value that x is CIF plus duty
which works out at 12.36% Total import Duty

Dr. G. S. DUGA

Hamburg 13
Abteistrasse 1

Projects: Collaboration with Prof. Jay in designing and creating the taste which other parties have been approached who would take up the manufacture of the same and what will be the sales organisation like

Have we settled any details about the type of cloth that is wanted for that purpose and taken steps to insure the supplies of the same.
Have we studied the import. licencing position for the material which types are free and which need licence and if so what will be our position.

Project Catgut and Guts : Have we worked out our proposals for Dr Wassermann about the Catgut Industry and also written to India to find out all the details about the availibility of Guts at various centres, their prices and qualities
If there are any catgut manufacturers already there and what is the present imports in Catguts like

(In collaboration of Dr Kramer and Co) Kramer and company is preparing the details and will send these to us by the middle of next week

Project : Coir fibre There is a great demand for fibres and even of yarn of better type that is machine spun,if possible,to keep our present market
We must meet these days Schantungges mr. Kahlweit. He told me that in India the scheme is making no progress in spite of all the work done so far. If we do not do it soon other countries will simply kill our industry.
Machine spinning was once tried by a british firm but in those days labour was very cheap and therefore the installing of a costly spinning machine was not considered

There is still a good business in mats and mattings. Automats are in good demand.

Eventhough it is accepted that Coir yearn matting is more durable than Sisal and also cheaper still people are preferring Sisal as Sisal yarn has an even texture, looks brighter and takes shining colours -- The difference between coir yarn articles and Sisal is like cotton and artificial silk.

Tea. What steps we are taking regarding this. We have not received any report samples or prices from Calcutta. If we are going to work this line let us make all the preparations in advance so that there is no unnecessary waste and waiting as in case of Cashew.

Clinomobile: The manufacturer is very anxious to start manufacturing in India. At present these are being sold all over. Military is equally interested as the Health Ministry

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Mr Gaynor — These proposals need investigation if possible

13/1/61

1. Manufacture of fire bricks and crucibles from Magnacite-ore

2. Conversion of iron slag into cement

3. Conversion of low grade iron-ore into pig or low grade steel

4. Manufacture of chemical fertilizers from Gypsum

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Eingeg. am 15.12.60
Beantw. am _____

DEUTSCH-INDISCHE GESELLSCHAFT e.V.

Stuttgart, December 13th, 1960
Charlottenplatz 17 (Eingang 5). Tel. 297078
Deutsche Bank Stuttgart Nr. 15160
Bankhaus Anselm & Co. Nr. 2809
Postscheckkonto Stuttgart 44407

Dr.G.S. D u g a l
Dugal Company
Import-Export-Grosshandel

Hamburg 20
Heilwigstrasse 33

Dear Dr.Dugal,

By the firm ORBIS-WERKZEUGFABRIK Paul Groten KG., Ahaus/Westf. we were informed of the following:

"Da wir die Frage prüfen möchten, ob wir eine Zweigniederlassung unserer Zangenfabrikation in Indien gründen können, bitten wir uns die Anschrift der Deutsch-Indischen Handelskammer mitzuteilen. Sofern Ihre Gesellschaft sich in derartige Vorhaben einschaltet, bitten wir, uns die Möglichkeit Ihrer etwaigen Unterstützung näher zu erläutern."

I, therefore, ask you to contact the firm directly, and have informed the firm correspondingly. They are now expecting your phone-call.

With kind regards,

sincerely yours,

(Dr.Reichel)

29

DEUTSCH-INDISCHE GESELLSCHAFT e.V.

Dr.G.S. D u g a l
DUGAL COMPANY

Hamburg 20
Heilwigstrasse 33

Stuttgart, December 29th, 1960 R/W
Charlottenplatz 17 (Eingang 5). Tel. 297078
Deutsche Bank Stuttgart Nr. 15160
Bankhaus Anselm & Co. Nr. 2809
Postscheckkonto Stuttgart 44407

Dear Dr.Dugal,

Please receive attached a prospectus of the management of "Gesellschaft für industrielle Zusammenarbeit" (Society for industrial cooperation). The latter is a member of our Society and very good contacts have been established .

Dr.Mitzemann as well as his brother will not be in Germany on January 4th, so that a journey to Dusseldorf will not be possible for them.

Recently I had a discussion with Mrs.Karcher, partner of a screw-factory in Waiblingen. These days Mrs.Karcher is travelling to India to get an impression of daily life there. The management of this firm, however, would be ready to have a talk without further obligations concerning the est blishment of a screw factory in India.

With kind regards and best wishes,

sincerely yours,

(Reichel)

Mr Ganguly *
This needs attention
13/1

29

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(Reichel)

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This needs attention

13/)

Dr.E.Reichel 30

DEUTSCH-INDISCHE GESELLSCHAFT e.V.

Stuttgart, November 24th, 1960 R/
Charlottenplatz 17 (Eingang 5) Tel 297078
Deutsche Bank Stuttgart Nr. 15160
Bankhaus Anselm & Co Nr 2809
Postscheckkonto Stuttgart 44407

Dr.G.S. D u g a l
Backbay Reclamation
Dugal House

Bombay / India

Dear Dr.Dugal,

Some days ago I was informed by a collaborator of a well-known agriculture-machinery factory, the firm "Holder" in Metzingen, that this firm is eventually ready to produce in India. Their production programme consists mainly of the manufacture of ploughs and sprayers for destraction of insecticides. By an expert in this line I was told that the products of the firm Holder are excellent - specially for India.

I, therefore, ask you to inform me as early as possible, whether I shall take up contacts with the firm mentioned above.

With kind regards,

sincerely yours,

(Dr.Reichel)

I'm Ganpuley
Please write to
Dr. Reichel to follow up
this matter
FB/1

317

December 1965

Re Interntaional Emporium

I am of opinion that the Horn Articles are not good moving articles and their imports may be limited if first consignments have proved it to be so. Atleast that is my impression. Therefore let us take stocks of business done so far and suspend the supplies until such times a good portion of the stock is sold out.

Re German articles like, Photo apparatus Typewriters, Tape recorders etc., I am glad to note that there is a good turn over. I should however like to draw the attention of Mr. Egge to the fact that he should neqt not promise to supply things which he knows to be difficult to secure. Secondly as far as possible one should try to hand over the articles to the person instead of pomising to send the same by post or air afterwards and if the customers insist on that then the risk should be of the customer.

But if one promises to send anything then the date must be kept and there should be no reason at any time for any complaint.

People purchase here things in the first place because they get them cheap and secondly because if they take same with them they save the transport costs licence difficulties and duty . People do not come often to Europe and when they come once and ~~lee~~ mis this opportunity they blame and complain about it all the time.

Recently Mr Joshi, Mr. Kabour and Mr Diwakar were here and they purchased certain items which were to reach them till the 4th of December. The Articles were purchased on the 21st of November. So that there was enough time for the things to reach Rom in time if the same were sent in time. I enquired about it on the 25th of Nov and was told that the things have left but the same were not in Rom on the 5th of Dec and they have to fly home without

Mr. Zorawar Singh of Paris order some article on the 21st of November It was said that the thing had left but on the 7th of Dec Mr. Zorawarsingh had to phone to find out if the things have been sent. I should like the emporium to be more careful about this. It is better loosing the customer if one has not got a thing to offer but to promise and not to supply i time is bad

Articles like ~~by~~ portable type writers ~~in~~ with english Tabulator could be easy moving as each one can take one type writer with him without duty. Therefore it is better to have a couple in the showroom always for ready delivery o anyone or two good make.

N. GANPULEY

32

Dr. Dugal
Dugal House, Backbay
Reclamation,

BOMBAY

22. Dezember 1959

My dear Dr. Dugal,

I am in due receipt of your letter dated 16th. Dec. and am glad to note, that you have reached Bombay safely.

I had been to the Laboratory, but the chemist who has undertaken to do it, was ill for about 2 weeks and could not attend to the work.

Then I was told that they were waiting to get samples of Plastic packing-material from Switzerland to make trials with various materials regarding their airtight and resistance quality. At any rate, my impression is, that it is better to remain by the old method of packing in tins.

As regards the process of salting e.t.c.the same is being triedand I shall know more about it in these days.

If you are coming here by the middle of February, it will not be possible for me, to be there in the beginning of January I will have to purchase a couple of machines for my Press here and I cannot leave this without having finished that work.

I am sorry I shall have to remain by my old program of taking the Boat VICTORIA on the 30th of January to reach Bombay on the 14th. of February. Iff by then you are away we shall have to do the work by corespondence.

I hope that you are successful in your talks at Dehli.

I take this opportunity of sending to you the Greeting of the Season, wishing you a successful New Year.

With kind regards also to Mrs. Dugal,

Sincerely yours

N. Ganpuley

Cashews : 33 10 January 1961

Let us hope that our Cashew sales organisation functions as visualised by you and we are able to dispose off the present heavy and to some extent costlier stocks in the course of next six months. This will considerably ease our position and when successfully carried out pave for us a successful future so far this line is concerned. This will all depend on the integrity and salesmanship of the people that we shall be engaging. It is an uphillk task but there had been no work without difficulties. Because we are selling a processed Cashew we stand a chance of just making the two ends meet. Had we to sell raw cashew we would have suffered an heavy loss.

Cashew purchase next time should be well timed. As far as possible payments must be made here on 60 Days D/A basis. and instead of trying to procure a certificate of quality at the port, I should suggest that the purchased Cashew should be packed in the presence of our representative and sealed and handed over to the shipping agents. We can conveniently go down to 320 quality to which people here are used.

Manioc Meal : I am asking a friend of mine in Bombay Messrs the Pearl Products ltd who are manufacturing Starch and Glucose to give you the addresses of Bombay dealers in Manioc. He knows this market well as he is a regular buyer of ManiocChips for his factory in Bombay. I shall also introduce to you another man from Kerala who was dealing in this and in other Kerala products.

If we have to do any barter deal on a large scale, it will be necessary that we either collaborate with existing first class ~~crushers~~ manufacturers that is millers of Manioc Roots. You have heard that there are offers in this market at Pounds 19.10 to 19.15 when we are offered at Pounds 22.-- Mr. Karandikar of Pearl Products may be able to give you valuable information on this subject. He is also a good chemist. He has als a problem of selling ~~is~~ his Glucose bye product.

Re textiles : It is understood that we should specialise ourselves in the products of Commonwealth for dressing material, Excelsior for furnishing material and Tatas for Silk cloth which will be brought here for processing

Kindly fix up all the arrangements finally and ask them to send to us larger sample pieces. In the meantime we shall work out here the sales prices keeping 12 1/2% as our share from which we shall have to give about 2 1/2% to selling agent or broker

Yours faithfully

Hofmann and Schwabe : I shall be after Mr. Schwabe to prepare the project as complete as possible. So far the machinery part of a scheme I think that Mr Schwabe will be as elaborate as possible. Technical know and collaboration are subjects which may or may not be solved so easily. However every attempt will be made, atleast to know the names of the parties who could then be approached independently by us.

Financing of machinery under American Aid : One should find out the resources of this. Many industries in undevelopped countries are being erected by Germany under this scheme. These aids are often so very out of place .For example I read a few days back of a 125 Million Dollar scheme for erecting a Petrochemie plant in Pakistan. It is the most modern scietntifi/industry based on highest and uptodate technicalan scientic knowledge It will therfore be intresting to find out the ropes to this source.

I have written a letter to Bombay already giving a few names of parties interested in the machinery manufactured by Messrs Hofmann and Schwabe for different industries. These enquiries are from potential buyers and may materialise into business if followed up. It will therefore be worthwhile if Messrs Kesawani/would contact them and work out with them the projects and write to us for any more information if needed. Messrs. Schwabe are receiving continuous enquiries. Atleast some of them may materialise where there is no great investment involved or no very important technical know how is required. Will you kindly ask Messrs Keswani to acknowledge the receipt of these offers which will be sent there and let us know in the same be being followed up and with what results

Manioc meal : Although the demand for this article will not be very large this year due to good potato and other fodder crops still it should not be difficult to sell 5 or 10000 tons provided our prices for FAQ are in the line with Thailand, which country has organised its business well only with a view to be able to export to these markets. The price at which business is done here today is Pounds 19/10 to 19/15 inclusive of brokerage at 1%.

Steel Billets : It will be worthwhile studying this line What types of steel in billet form semi killed or fully killed can be offered and what are the present prices.
At present we have an enquiry on hand for steel Billets of Thomas o siemens martin quality 85 x 85x 3000 mm about 5000 to 10 000 tons shipments of 2000 tons each time to begin in May. If there are chances of getting better freight rates then the party will also consider bying a shipload at a time that is about 6000/7000 tons.

Cardamoms : can be a good article for export if one can get good Fair average quality material. According to reports Sweden alone purchases

about 200 tons per year which at the rate of Sh 12/- per pound works up to about DM 3.225.000 and can be a good item for barter as accroding to information. Barter of Manioc is allowed against Betelnuts, Mace Cloves and Cinamom. One can as well try Cardmom and Ginger for export against Barter

Coming back to textile it will be better if Messrs Commonwelath and excelsior would write to us against their samples if the article is of pure cotton or Cotton artificaal yarn mixed and if so what percentage of cotton and silk or wool mixed. This is necessary as the duty is charged accordingly.

Re Agency for El ctric Motors : As desired by you we enquired and have on hand certain good manufacturers who are not as yet represented in India for Motors above 50 H.P. and small fractional motors . Sometimes back we have also sent prospectus from a welknown manufacturer of variable speed motors required for ~~cotton~~ spinning and weaving machines etc. I did not h ear anything about it afterwards. I know that Bombay o ffice acnnot look after this. I used to do like this before. I use to take Agencies of first class manufacturers and pass this agency to one who would work it in India on his own. I had only to watch that the work in India was properly carried out and for that to get for him all the facilities from the manufacturers here. For this I used to get my 5% or 2 1/2% commi ssion according to the nature of the article from the manufacturers here Just as we have made an arrangement with Keswani for Hoffmann and Schwabe machines so we must have a number of reliable, solvent working houses in In ia for different articles. All the correspondence from themanufac turers will be direct with the parties whom we have chosen as agents and Vice versa. The office here only gets the copes from both sides and le ers when we have to discuss about prices or special wishes of the clients with India with manufacturers. In this way without loeading this office or Bombay office with any extra work one can build up a very substantial business.

This was easier in ol en days but due to import restrictions we shall have to find out such articles which are allowed to be imported and shall be allowed to be imported and try to secure agencies for such articles.

Iron ore , Magnasite and other ores which are mined under your control and which can be exported in sizable quantities of one fixed Analysis . If that is possible samples with analysis and prices FOB or CIF Hamburg may be sent here.

German Government 1 Milliard Credit to India

Instead of spending that money on trying to create Exemplary villages (MUSTERDORF), it would be better if such money is utilised in giving facilities to trade like Warencredit

It will be also better if this credit is not given for Capital goods export alone but more for Import of Indian goods as then the export will automatically follow.

Artificial manure Ammonium Sulphate and Phosphates

More Ammonium Sulphate than Phosphates are imported.

The German exports have been generally done so far west German products are concerned by Perry and Co Madras

Tie up imports with exports should be the basis of our negotiations with the Government and as such more import licencing facilities should come in the way of those who are exporting and not to those who are selling the licences at 100 or 150 premium and endangering countries economy.

It is known to Government that practically in every line of Trade quite a large number of licences are being used for speculation purposes

1 Zahn & Co
2 Dr Hammer & Co
3 Leichtgewicht masten
4Me Mannesman Pipes Iron Gas and Water
5 Blue Mountain Project for cables
6 Mieves Dortmund
Clinomobile Hanover
8 Wetphal Hartbeton
9 Metal Schlauch Pforzheim
10 Various offers from Hoffman und Schwabe
11 National Playboard Calcutta
12 The same project for Jolly
13 Kunhimoosa Calicut
14 Bangalore Druggests.
15 Enquire about Gelatine and Bone Grist

GELATINE or Export of Bone GRIST

Manufacture of Gelatine could be a good industry as the same is based on Bones as the raw material which we have.

It is to be investigated, as to who are manufacturing at present what is their out put and if there is enough scope for further manufacture

In this connection it may also be point d out that there is a great demand for good Bone Grist that is crushed bones preferably upto half inch sieve. The good white sun dried bone grist ~~is~~ as is available in Saurasthra and other places where there is dry heat is preferred. One can enter into regular contracts if supplies could be guaranteed.

This manufacturer Messrs Fischer and Company have a good machine manufacturing programme for Goldsmith and jewellery industry. They are not represented in India neither care for a representation at this stage. There is good demand for their machines so that if any one wants to import their machines we can get the offers.
All the machines with Bentex the steel writsband manufacturers in India are from Messrs Fischer and Co

The catalogue may be registered and kept in Bombay office for information

No

Used Machinery Can Be Located Here

"The Times of India" News Service

BONN:

Small scale entrepreneurs in developing countries needing used, and therefore less expensive machinery for their purposes can now direct their inquiries to the Industrial Co-ordination Bureau, a non-profit organisation newly set up in Geneva.

A regional branch of the Bureau is expected to be set up in New Delhi in the near future.

A Swedish industrialist, Mr. Hans Langenskiold, on whose initiative, the ICB was created let it be known that the ICB will primarily deal with projects costing less than $50,000. Such projects are generally not covered by existing international organisations for technical assistance The ICB is constituted on the rationale that while highly industrialised countries with ever-new equipment may, for reasons of efficiency want to scrap comparatively old but fully operative equipment, developing countries may be only too willing at the same time, to accept them at nominal value, the benefit of technology thus, accruing to both the advanced and backward countries

Many western countries like France, Belgium, Switzerland and Sweden, are finding competition with Western Germany hard, since the latter, thanks to the war, is operating with very new machinery with high turnover value. Should the ICB prove a success, then these countries can make a virtue of selling their old machines to those who need them. To make sales easier, the ICB, it is stated, will also assist new industries in developing countries in obtaining export credit financing.

29/9/60

Mr. Gangulay — Could you kindly contact any firm dealing in second hand Machinery — during my absence.

47

Messrs Hofmann and Schwabe had sent an offer to Messrs National Saw and Plyboard works Calcutta on 12th August for a Melamin coating plant. The copies of this have been sent to Bombay to followed up
Will you kindly enquire as to what has happened to that

The same was offered to Mr. Jolly. Kindly dont forget to contact Mr Molly and find out as to what he has decided.

Both of these seem to be serious enquiries and it is worthwhile following them up

5th Oct. 60 Hamburg

92 25th April 61

Cashews :

The letter I had written to Bombay was just to the point and quite in order.

Sometimes back when I wrote a direct letter to Cochin in some minor matters I was asked to write to Bombay and not to Cochin in connection with Cashews.

Apart from that this time it was something on which Cochin has no control as the documents are presented by the suppliers direct to the Bank and only Bombay office is informed about that and may be getting the copies of invoices and Bills of lading.

There in my letter I had asked the Bombay office to be very clear on this point. 45 or 60 days whatever time we have to get should be understood as 45 or 60 days D/A that is to say after presentation of the documents to us by the Bank here and not from the date of Shipment. If it is to be from the date of shipment, it must be very clearly stated but in which case the terms should be 60 days D/A which gives us here 15 days after arrival of the steamer to make the necessary arrangements.

This time the Deutsche Bank sent the Bills to Dresdner Bank two days after the steamer had arrived, which leaves us little time to make the arrangement for payment and also to take delivery of the goods.

My second point was that instead of holding a survey either here or in Cochin by opening a few cases at random cannot be called satisfactory. In the case of Ganesh Naik we have observed that inspite of such a survey we found a few cases which were absolutely rotten and although we opened afterwards more cases we could not say definitely if there are more cases of that type. We are now taking delivery of these cases and only when we open all the cases we shall be able to say how many more cases are of inferior quality. And whether after that Messrs Ganesh Naik would admit the claim, for the losses suffered.

To avoid all this and also to be very certain that we get that quality in our cases for which we have paid it is advisible that each time our goods is being packed a representative from Cochin is deputed to supervise the packing in tins and cases and these cases are then tied round by a string or wire and plumbed by our seal. It is a simple and easy procedure and will guarantee us and for our buyers here a standard of quality supply.

My experiance here has been that all the supplies received so far from India do contain a mixture of 10 to 15% of inferior material. This has been the business practice all throughout and is not going to be changed unless we enforce this change. In article like Manioc it is difficult to say from the look if there had been some admixture but in case of Casnew one can see at sight what is being filled in the tins.

In order to introduce our name and mark in this market it is essential that we get the packing done in our presence and seal the cases with our seal.

This suggestion has been made by me previously on the 10th of January

NG

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Hamburg, 17th May, 1961

Dear Dr. Dugal

It is now more than one year that I joined hands with you to help you in your efforts to establish in Germany a representative Indian Concern to develop Indo German Trade, not in the manner it had been done so far but by creating closer personal contacts with buyers and sellers in this coubtry.

The Governments of other Countries give all out help to such pioneer efforts. It took you bng to convince our Government about the usefulness of such an enterprise, and although you have succeeded in getting a few concessions, still you are not completely out of the woods.

I decided to work with you as I saw in it the fulfillment of my own ideas and thought that my experience in trade and Knowledge of this country will be of some help to you in the initial stages of development.

As I often said I would have liked you to be here a few years before and not when Germany is saturated and Germans look satiated. In those early days of development your work would have been easier, but as you said there is also pleasure in fighting the way through hard regions.

The year has given us ample time and opportunity to know each other nearer, and I think that both of us have no ground to complain about each others choice of comanionship. From my side I can only say that in my long life of very rich experience I have seldom come across an Indian business man with such a broader outlook, tact, resourcefulness, finance and yet with a great stock of idealism which is a rarity in our business world.

After having successfully struglled for last 30 years in various fields I was on thepoint of renouncing the world when I met you. I have no great ambition in life to be something more than what I am, but I surely like to be active and it only pleases me when it could be in the field which was my hobby all my life. - and I am more happy to work having come across a person like you. My work with you however is not pastime and routine but I feel responsible for the success or failure of the undertaking even though I may not be financially involved.

I know that it is your finance and as such any decisions involving finance should be taken by you - You are a clever man and know what is in your interest and how far you should go, you are also young andcan afford to play a game.

Now although the finance is not mine, still the responsibility is mine to some extent, as I see the success of my mission in the success of this institution and as such think that I must put in a word, whenever I feel that we are not on a right path. I can only make suggestions as after all it is your finance and your argument will have to be final.

As we are entering into fresh year I take stocks of all that has been done by you so far and give my own opinion about it. I have the feeling that you do respect my opinion to some extent and till that time I shall have no hesitation in arguing my points - Before going into the affairs of Dugal Company I should like to say a few words about the other two institutions. -

In my opinion the two institutions Orient Trading and International, are going to be constant headaches and are not likely to be even self sufficient unless manned with proper personnel. Mr. Paul alone cannot run the show there. There must be someone with administrative capacity to look after all the official work and Mr. Paul does the selling here and in mofussels travelling about with a car all the 5 days of the week. This means a total expenditure on the office of about DM 3000,-- to 3,800,-- per month which can be met by monthly sells of 30 000 - 35000 at 10% - To make the concern profitable either turnover must be more or the percentage of profit. This in its turn will call for capital investment of atleast DM 200,000,-- This again means consciencious hard and systematic work.

Your idea of Mr. Jagtiani helping part time is not practical. It is only a fill up arrangement but not a sound business proposition. Two men cannot work together with divided interests. Their interests must be pooled together and then only there will be fresh idea, fresh initiatives, search for new ways and means will go to make the life of those working there a success.

If today according to your suggestions Mr. Jagtiani is going sometimes to Orient, it is at the sacrifice of work here or work there. It will never be a perfect work. If Mr. Paul or Mr. Jagtiani agree to whatever you say and try to do it, it is not out of conviction, but because they feel that they have to obey your orders. They have no other alternative but to carry out your orders right or wrong.

Sometime back you wanted Mr. Paul to shift here with all his things. It was a wrong thing to do and yet he was ready to do it and thinks even now that I spoilt his chances of bringing his office here. Same is happening with the car.

No adjustment is possible when two persons are operating from two places for two different types of work.

This is how I see to the practical side of the working of Orient Trading.

As regards International = It is a top heavy organisation for the kind of work you wanted to do there, and luxirious an establishment for any article in which you have no monopoly. For the type of business that is being done there two or three rooms in some near about locality would have been sufficient.

I do not know the exact monthly expenditure there. It may be somewhere near DM 6000,-- which means monthly guarnanteed turnover of at least DM 60.000,-- to cover the expenses and much more to make it profitable. It is not quite easy selling there where we are, and Mr. Egge having a free hand to sell like products through Gerfin.

Horn Products and Brass articles or as a matter any other articles of Indian Handicrafts could only be treated as a small side show of your office had you your own office there and reserved two back rooms as show rooms. From the very beginning I had been doubtful about the success that set up. Iam not a pessimist by any stress of imagination, but having gone through the mill of all these things I have become more realistic and you should credit me for some sense for correct judgement. - Then your making arrangements with men like Datha or Baber for supplies of articles from India might have been guided by your benevolent and helping attitude towards those who approached you but it has positively not helped your efforts here. Having your own office and men in India, you could have sent a man to Moradabad with money to purchase what International could have sold, and this man would have purchased the best at cheapest prices.

I could not have even dreamt of burdening me with 30000 worth of Horn articles. Mr. Egge had been quite ~~near~~ new to these things and you have unnecessarily locked up your money in that. - I wish you take some drastic step for curtailing the expenses to the minimum. Here again you have tried to fill the gap by posting ~~with~~ Mr. Antonio there. But that cannot be a permanent solution - Having started that big show you cannot close it down. On the other hand it isavery expensive place and those working there will not have an easy time to see the both ends meet.

Dugal Company: Cashew: In reality we have started the actual marketing of Cashew in November last year - Being completely a new article and that too costlier compared with all the other articles that are offered in the market

as drink snacks. Apart from ground nuts which are now offered by number of firms there are salted almonds, Hazelnuts, Potato Ship, cheese cakes, salt sticks, salt buisquits, Prázel and a few more things, which are all cheaper than Cashew, an unknown something.

The progress made in 5 months in introducing this article without making any special efforts, which a new article demands could not be called unsatisfactory. It has shown now that by special efforts made, this article has fairly good chance of getting popular and could be a profitable item. No one knew, when we first discussed it with Mr. Bertram about possible turnover. It was only an assumption that it shoudl come to a figure of 10 tons permonth, but it was a folly to base our calculations on that assumption.

Perhaps it would have been better if you would have formed a separate company with some one who would have invested the same amount, say 25000 pounds to start only the Cashew Trade. I cannot say how such a partner ship would have functioned whether it would have been better than the present arrangement with Messrs Bertram & Co. or worse.

No established firm would have from the very beginning started on this one article with that intensity as you expected it. You wanted to make it your main item whereas for all the others it would have been a side item. Taking this into consideration I may say that our choice of Messrs Bertram had been the best.

Now our trials have shown us that if one could work exclusively for this item from the beginning that is roasting , packing and selling it may be more profitable. However, before going into the processing part of the same we must build up a perfect sales organisation, to guarantee the distribution of our daily production.

Mr. Mehta is a good sales man but he alone cannot do the job and it is not easy to get people of this type. We have therefore to depend upon the selling machinery of the type of Mr. Bertram or any othergroup - Perhaps we may find one or two more salesmen in course of time, but till then our progress will have certain limitations and hence it will not be advisable to burden ourselves with new responsibilities of processing as the same is conditional to uptake both of Cashew and Groundnuts, which we have not even tried as yet.

I am afraid you are going too fast with your program of processing , neglecting the very important factor of proper persons and their capacity to attend to things.

To set up a factory to roast one ton a day and to

sell it is not as easy as you have visualized. It will need at least 10 workers including superviser and one delivery van if we pack with half automatic and two less if we get an automatic filling and closing machine. Even then it will only pay if you have one of your own men attending to it personally.

Cashew Imports: I do not know what you had in your mind when you closed contracts and purchased 85 tons of Cashew last year even at prices as high as sh 475/480. You gave me your reasons and that was to be sure of stocks here basing our sales at 10 tons permonth from the very beginning. You persisted in it even when you knew that we had not commenced with it in September. I wanted to stop the import when we had here 50 tons, but it was not possible. Already by the end of last year we had 85 tons of Cashews here. Just in Nov., October prices were little better when I wanted to despose off at least the first lots but you stopped me from doing so and wanted me to quote the ruling prices at which business was not possible.

Already in January the prices came down, when buyers here began to receive cheaper offers and we could only sell smaller quantities from ready stocks. We might have sold more had we 320 quality which is the most common in this market. I wanted to contract at cheaper prices in January and sell raw cashews to the market. But you were not very enthusiastic about that type of business and we decided to do the best with our stocks.

All of a sudden fresh documents for 240 counts at sh 460/- were presented by Deutsch Bank which are being followed by others. Had you an intention to import further quantities inspite of the socks for reasons only best known to you, then you should have closed the forward contracts only for 320 quality wanted here when the same was offered at sh 420/- or perhaps even less.

It is your own finance and you must have your own reasons to purchase 240 quality and at higher price. I am not expected and I do not want to question on that point. I may only say that had I made contracts of that type you would have asked me to quit your office withing 24 hours.

With the new stocks coming in when the old have not moved we are today not in a very happy position with the bankers and our payments and finance is unnecessarily overstrained.

I ask myself a simple question and that is whether it is necessary for us to get blocked like that so that we could not pay to Wehrstedt & Sprung for Cashew an due dates or make such other payments.

I think it is not necessary provided we curtail our unnumerative activities.

G 9

I am placing this before you as a friend who would like to see the smooth running of your work. You are a young active man who wants to force results and may laugh at my senile views, but even then I think it is better that you are appraised of them if I have to work with you.

Mr. Mehta's performance is quite satisfactory when he does it, butunfortunately he is utterly unreliable. If he were to put in regular work every day even for a few hours with an intention to sell, I am sure that a good deal can be achieved, but I have found that it is a job to make him work with a laid down programme and system. It is no use if he sells even 50 cartons in one day and then we are required to wait for some weeks till we get further orders, for example, after he finished his work at Munich he should have on his own started finding out other sources but up to this date nothing has happened. Orient Trading has sold since then only about 9 or 10 Kartons. I have been after him since 10th of this month to sell raw cashews. I gave him a list of buyers and importers and asked him to see these people. He knew quite a few of them andI told him that I am ready to visit together with him a potential buyer when he wants it.

The result of the work so far has been that one broker , Mr. Stut who is also known to me, sold 25 cases of 320 counts of the incoming shipment to Mr. Zieler also a party known to us.

He further sold about 9 Umkartons one evening in the area of Reperbahn.

If we were to build up a sales organisation, depending on the whims of people like Mehta and now think of setting up an independing processing factory we shall be running a risk. I am quite sure that Mr, Mehta although he knows that he can sell has not that perseverance and sense of duty needed for this type of work. He will not be able to have a group of people under him who are to be guided and trained and organize the sales as he lacks all those qualities.

Mr. Jagtiani had never given himself as a good sales man but he is reliable and arduous and systematic but then he will not be able to do either the one or the other if he is asked to do half a dozen different things.

I have already written about lthe half time work in Orient Trading. Since the time Jagtiani was asked by me to build up cashews he got together some set clientele of slow progress, but unfortunately we are not able totake care of this and we have thereby lost all the benefit of the work already put in.

So

I had once to argue with Bertram to give us the working of the north zone completely, but unfortunately we have not been able to develop that. Writing by post or even placing cards with the dealers is ineffective at this time when this new article is being introduced. It needs a personal following up and for that we must have such people who would do the job with heart and soul.

This note means nothing but loud thinking. It attacks no individual It is my reading of the things. I think a change is necessary. You may differ with me in which case I cannot stop you continuing on the same lines.

You are doing excellent other work and more of your energy and time is taken by that. In the short time that you are here you want to force certain issues which look very attractive theoretically but have got many practical drawbacks to be surmounted. It is not that these practical hurdles could not be got over and the correctness of the theory proved but it is only a question of time

Yours sincerely

28th June -

The Secretary Mehta who left here on the 21st of July did not even write a Card To inform the address of Congress It is a very bad feature of all our Co-Workers organisation.

We must form a group with Sellers otherwise the old stocks are lying & get infected because of long storing

IBU What is the good of getting disappointed & dis pleased with Bertram When our own side is so very poor.

Kinds settle down for

Mehta with all his capacity is very unreliable. One has to use him but one cannot trust his words Pity that a man should knowingly take away the Springing Board from under his own feet, which has been prepared for him by others.

28th Today I was told that he has been able to sell daily about two bags of Rice but for the shop sales he worked in all the 5 Branches +

5c

of Alko in Köln + was left for
Dusseldorf Bertram's Agent at Düsseldorf
was in Köln has agreed to keep
book our Mokka + has arranged
work for him at Dusseldorf
Coorbag as in a shop is not Kaffee
means the 35 pfg earned on one
article for the shop dealing
only in groceries.

th I am waiting to see what our Süssmoke
can do in Hamburg. If he takes up work
seriously, which he is likely to do
we can have one Idea on this feet
every day with our Cashew + that will
be quite good

The Cashew has become an item of
constant pressure on me + I do not
know how and when we shall get out of the
tight Corner in which we find ourselves.
Our Mokka Phones first time on the 325
evening opening but it will be selling
at Berlin for 3 dy

Wellcroy. Brick
Service Milano

If we cannot find a party in Germany which will cooperate for Casher in a way you desire then you will have to find some capital in Switzerland or America as the 184 have.

Cashew being known in America those who have developped the nut there may be interested in its development here.

We should do Cashew undertaking also if it does not cost us any money of our own, as far as we are now selling 45 days terms of payment we can as well do the selling which only adds to your export. Moreover it may be that you will get the 320 & 240 qualities cheaper if you also lift other grades which form quite a great portion in the Cashew splitting factory. This is worth considering. If the export of Cashew on a larger scale is going to draw you in the ~~for no payment~~ at home and is going to add to your prestige

with the forts

At present we are blocked and
it cannot go on too like that longer
at least it will not be in any way
to your advantage
I am feeling greatly upset + out of
Place now that you are

I am not! Coming to the end it
I look in view. I thought that not
from great activity I shall be able
to do much more than playing a
kind of a Spanish Cloak & sewing out
& the like.

[illegible]
[illegible]
[illegible]

I have been pessimistic about
the marketing of "Cashmere"
But you have always felt me doing
[illegible] things that [illegible] by others
and ignore our fanciful ideas
[illegible] with pessimistic [illegible] Cashmere
[illegible] will [illegible] by [illegible]
[illegible] [illegible] [illegible]
[illegible] [illegible] [illegible]
[illegible]

59 15 May 1961

It seems that we shall have to rent the rooms in Lucerne. I hint to get out of the arrangement on the ground that I am 120 per cent more than on condition that the owner fits in the heating (as Elec Stoves (Radiators) in the case the woman occupies at her own cost and Royal Park the man in his absence — are glad out of the arrangement. But now he has agreed to do that has already obtained booking on it

The place is not bad, Pension Terminal We can remove the Furnished Central arrangement Nice - Having the full arrangement to keep up & down of Case etc at the rate for Rem and the under [illegible] arrangement we may start there at reasonable rate & selling of Cashew nuts which can then be given to the [illegible] who are also near here Cooking & Reading is a simple process as you have seen and we can easily do these what we need buy only two books:

understr Rooms Cancelled after Payment of Dm 460, — in July - Nb

Your Guests can stand more when they eat Cashew nuts. Therefore you can sell more if you sell these nuts. free - Try it!

— 6 —

We must come to some definite arrangements with Mehta - It can't go on like that -

Let him have a commission extra on what he sells in Brass goods + Horn articles but let there be a fixed amount He should not be here town to International but a a Rs 500 salary + commission basis here -

Inspite of my appreciating his work + some of his ways I am getting very much disappointed

out to some extent disgusted with the irresponsible behaviour.

I am sorry for the young man who has sense + wits but no Common sense.

We must create another selling expert. Only a competition will make him do better. It is an animal instinct which one has to wake up.

We must set up a workable selling organisation before we can plan anything else about Castles.

Other things are easier + even sales will not be difficult when once introduced.

We can effort to bring down the Prices.

The idea of producing all the Cashew Varieties that a factory produces is not very realistic. There are about 8 or 9 different grades, which we shall not be able to market ~~easily~~ easily

We can go down to splits that is two halves + perhaps baby bits which are asked for by Confectioners.

240 20% 320, 60/80% ~~10% the rest~~

10% 450's and 10% Rest

We shall have a talk about this with me Shall supposed to be a well informed broker in this line before taking any decision on the subject

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I shall go to India in Oct to/Nov when I shall travel the area and try to Contact for the year Cashew as well as Manioc in Cooperation with Mr Wadekkan.

Please settle Paul/Jagtar
working arrangements
This can be solved by
~~Open~~ bringing Brent to Leicester -
and Mr Jagtiani to attend to
Cashew Roasty/salty side +
to orient at one Place -

International?

Cashew - we are going
with Jork to see Rosel +
Eggers I should like to see
then the exact Roasty + salting

Can the Cashew to be first ~~Oro~~
sprayed with a salt - Gum Arabic
solution + ~~the Roasted~~ - allowed
to be dried in the open to a dry
+ the Roasted Should be kept

62

For the attention of Dr. Dugal when in India:

1 Kindly see to it that no more Cashew consignments are shipped. Stop all further contracts until the position improves here.

2. Make all the arrangements necessary for payments for those consignments which are already on the way

3 Please contact Mr. Parekh of Leather Cloth and Mr. Chauhan of Elphinstone spinning and weaving who are interested in Hofmann & Schwabe machine. Papers are with you.

4. Pthalic Anhydrite Scheme given to you by Dr. Vashishta.

5. Mr. Grünwalds enquiry for Frozen and dried Prawns. Should like to have fresh offers and samples.

6. Mango Chutney and other scheme with Mr. Saha Development Corp. Bengal

7. Catgut manufacture scheme with Dr. Raju.

8. Thermometer manufacture if possible

9. Manioc Meal - If any final decision is arrived at would like to have offers with samples with all particulars

10. There is some visible demand activity for the type of machines which Messrs Hofmann & Schwabe are manufacturing. For this purpose and for the planned technical office in collaboration with Phoenix, it will be better if you will think of settung up independent department with one man to follow up religiously all the proposals sent.

30th Oct 1961

DUGAL-COMPANY

63

AGENDA for meeting regarding Cashews

1. Decision about quality to be packed:

As we have got large stocks of 240 Counts on hand we will have to pack for the present only this quality, even though packing of 320 would have been better. We can only think of mixing the two qualities in equal lots.

2. Decision about weight to be packed in the bag:

and Consumer's price taking into account the customary commission for wholesales, retailers and agents.

According to calculations made by you 40 g packing to be sold at DM -.70 seems to be a workable proposition. However, it has to be decided if we can not keep the consumer's price at -.75 in which case the price for wholesaler will be -.43 and retailers -.54.

3. Decision about ordering out the packing material as per design submitted by Mr. Götze for the bag and approved by Dr. Dugal:

Who will do it and when?

4. Decision about roasting, salting and packing:

We know for a long time that our present roasting, salting and packing is very costly and a change is essential. If Wehrstedt & Sprung can do both. Packing (and roasting as well as salting) on the new machine. If not who will do it?

Even the price of DM 37,-- for 100 kg obtained from Messrs Liebelt is high. If Wehrstedt & Sprung cannot do this then we will have to make other arrangements. Messrs Hassia people have shown their willingness to do it.

5. Karstadt: In spite of the best results obtained, Karstadt houses have at no centre taken decision to order out Cashews on their own. At Mannheim even, where there were good sales and Mr. Mehta ran out of his stocks they did not order out any supplies.

This is in connection with your meeting with Mr. von Roeth. Unless Karstadt decides to order out on their own our whole propaganda will have no meaning.

6. Propaganda: Mr. Götze has already submitted to us his proposals. He is also prepared to work to implement these proposals in co-operation with us. We have to decide how to utilize the services of those who would now be free from Karstadt Propaganda and that too in the city of Hamburg which is large enough to show us results.

offer. Only very recently a Holland importer snubbed me and a French importer could purchase could purchase at Sh 415/- when our price was 430/ We ought to be able to do quite a substantial indent business in Cashews and make up for our losses provided we can be competitive.
There is a buyer in Austria who buys 100 to 200 cases of Splits and Scho:cked wholes, Dessertwhe pieces etc. I had asked for prices of these and had also requested to kindly keep me informed of the prices but I did not hear anything. I had a talk with Dr Dugal and he has agreed that we can do the indenting so far it is for German port. But this should als be considered if the Buyer wants it for delivery at Rotterdam or Triest.

Sometimes back I have given to Dr Dugal a note suggesting that our office at Cochin should attend when the consignments for us are packed to ensure the quality packed and these cases should have a special wirex and sealed with metal Plumb. It will be even advisable when someone from the Cochin office is present at the loading. It has been invariably found in all the snipments that tins are broken open and contents taken out and sometimes only empty tins reach here. This must be happening between the packing and loading time in India or on the ship. We have mad enquiries here about this and would very much like that enquiries ar instituted at that end.

...burg 21st July 61

65

A Few Notes for Dr Dugals attention

20th July 61

1. Re Thermometer Manufacture : Enquire if Japanese firm has sent Glass tubing samples, which are to be sent here.

2 Agreement with Mr. Kulbirsingh Chodhary and his Money allotment to enable us to place th order for machines here

3 What action has been taken by Messrs International Franchise regarding the manufacture machine and apparatus which they were to manufacture locally according to drawings or information from Messrs Hamner and Co

4 Re Cashews : The prices for Cashews are steadily going down The rate for 320 Counts today on 20th July is Sh 380/- per Cwt. Kindly ask Bombay to investigate and find out the reasons . It will be better if Bombay or Cochin will keep uns informed of the market tendency to enable us to sell our stocks here or such incoming consignments which we do not need for our own use. We shall be required to sell our 240 Qulaity but to do that we must know now the Indian Market is behaving.

5 Pipe fittings The very next ~~next~~ thing that fits in the pipe manu facturing programme is the manufacture of all types of pipe fittings such as 2 way, three way, fourway couplings, reducing pieces, bends, angles, flanges, valves and the like in all sizes. It is a big item. It will be better if Dugal Bros apply for licence for this item or find out who are the licence holders We can then find out suitable manufacturers in Germany who gould cooperate. There is one we known manufacturerx with a trade mark GF whose items are sold in India. If my information is correct Stewards and Lloyds are manufacturing this item. But one manufacturer is not enough. The manufacture of this can be stanted anywhere in Bombay or near Bombay, if the same cannot be taken up as a side show of Pipe manufacture.

6 I have a manufacturer interested in the manufacture of small and l-arge valves and such other fittings. I am going to visit the Factory sometimes next week. I have already placed one Indian there for training. He is the nephew of Mr. Iyengar ~~xxx~~ the Planning manager of Hindusthan Air Crafts at ~~Nag~~- Bangalore.

7. I s all send to you the catalogue to Bombay and if interesting you should apply for manufacturing licence.

8 Please let me know if you will be following up the nuts and Bolts manufacturing scheme for which as you know Wire in various sizes forms the basic raw material. If wire drawing is not there it will be next large scale item of manufacture

66 2nd June 61

Cashew

You have heard from Mr. Stutt that the prices in India are going down because of America not buying the expected quantities and Russia and East Block countries who are there to spoil the market by sporadic purchases are not taking up the quantities contracted for.

Whatever may be the reason you will have to convince yourself ~~of the fact~~ if it is a fact that the prices are going down and if so what are your commitments and at what prices.

As desired by you we have promised to supply to Mr. Stutt provided he confers the offer made following quantities :

225 Cases 320 American Standard at Sh 420/- C & F Hamburg less 2 1/2% for shipment 10 to 20th of August

225 Cases 320 American Stadrad at Sh 420/- C & F Hamburg less 2 1/2% for shipment 10 to 20 October 1961

As the client wanted the shipment at Marseilles, it may be that there is some difference in freight from Hamburg to Paris and from Marseilles to Paris, in which case the client may or may not accept the offer, or will like us to pay that difference.

In Case the client offers to purchase at the above prices, we shall have to cover ourselves for those quantities at those prices. I shall write to you as soon as I hear from Mr Stut about it

At any rate kindly ask Cochin to study the prices very closely and let me have price reports eitner direct or through Bombay

If I receive and further proposals from Mr Stutt I shall write to Bombay. So far we can sell even at the cost price that is our C F price plus the brokerage of 2%, I do not mind but if we have to force the sells by undersel-ing then let there be very clear understanding about the minest possible reduction.

We should very much like to do the business without any reduction and must get competitive offers

h June

Since writing this we have come to know that the French buyer purchased his requirements of 500 cases in India at Sh 415/- per Cwt and both self and Mr. Stutt lost the business.

Since then we have also not been able to sell any Raw Cashews as there is no demand for the same.

In the event of Messrs Tatas not stepping in as suppliers of Cashews from India, we must try to get a first class producer interested for a closer cooperation to relieve us from the speculative fluctuations As we are once in the Cashew trade let us do it more systematically For that we shall have to do every time a very close study of the marketing- starting from the ~~from the~~ purchases made in Africa and the Indian Raw nut prices, which gives one a fair average price of the processed nut. The price fluctuation is entirely dependent on Demand and supply which is at present guided more by American purchases and of late Russian and East Block propaganda purchases. If one knows the price of actual Raw Nut purchase one can determine ones cost~~m~~price which ought to be the price for our calculations in our dealings with the producers

Somehow or other I have the feeling that our Bombay Office has been mislead into a belief of rising prices by the speculative dealers whose offers to us are not based on actual productions costs with reasonable margin of profits, but on demand and supply speculations of the market due to America buying or not buying and likewisex Russia or other countries real or fancy d demands.

Last year we were prey to this speculative rise in price when we were made to believe that this was not likely to go down even this year With a result we purchased at the highest price of Sh 480/- per Cwt even in October /November whereas the prices fall down to about Sh 440/- in January 1961 and today these are as low as Sh 380/ per Cwt for 320 quality.

Even this year we have allowed ourselves to play in the hands of unscrupulous suppliers or otherwise Surji Ganesh would not have backed out from selling us at Sh 425/- and we would not have the same commodity at Sh 460/- from Ramson or Bakul. When our office was negotiating with Surji Ganesh for Sh 425/- the market must have been round about that figure, then where was the need of hurrying in a contract at the rate as high as 460/-

There is another way of minimising our losses, by and that is by selling other qualities of Cashew Nuts as wanted by this market, but even for that we must have fairly good knowledge of and really good connections We are today perhaps the largest single importer of this commodity to Germany and therefore I fail to understand why even smaller purchasers and brokers get better offers from the producers direct than we who are now suffciently known as large scale buyers, an Indian firm having its own office at Cochin and Bombay. We ought to have been long placed in an enviable position of being able to offer the best rates to this market than anyone else but on the contrary we are getting always an higher

67 25th May 61

Phönix deal and cooperation

Dear Dr Dugal

As the working arrangements about the Pipe scheme about which you have been negotiating is shaping itself satisfactorily, I am sure you must have gone a step forward in sug esting to them :

To appoint Messrs G.B. Dugal and Bros as their sole agents in India which is very essential to influence subsequent business proposals which might be already there under consideration and which will come up in course of time as a result of steel programme

With the growing output of steel many subsidiaries based on steel will ave to be developped as an es ential corrolary of economic development of the country The items like sheets, wires, strips, sections, steel ropes and many such items with steel as a base will have to be started and must have been incl ded in the coming five years plan Phönix are the people who can tackle all these problems on the same lines as the present tube drawing plan

It will therefore be necessary that Messrs Phönix start functioning atonce in Dugal ouse in their own name but under Dugal management. Messrs Phönix send out to Bombay one consulting and one projecting engineer attached to this office. Their job will be to follow up all the projects technically and advise the Home office about the same and the work of Dugal and Co will be to contact the industrialists and finance interested in the scheme and to negotiate the schemes at Government level

Stainless steel is in the line of Messrs Phönix so that the present scheme applied for by Messrs Globe Motors private ltd could be atonce taken up and prospected by the help of Phönix and followed by you at Government level even during your next trip to India

Since making these above suggestions I learnt from you that ~~that~~ nece ssary steps have been already taken and everything has been decided almost on the same lines but with a new company and not under Dugal Brothers.

The Phönix deal, Tata Cooperation, Catgut manufacture, Hydrogen Peroxide deal and perhaps the Thermometer manufacture programme could be considered as substantial achievements in a comparatively short period that you have established yourself here and about which you can be proud. Now you will have to concentrate all your energies in implementing what has been started and see to it that everything functions properly.

1 Catgut programme is already on the move The parties in India and here are working on it. Dr Wachsmann will send out an offer for Catgut import at the lowest price plus 10% for Dugal Bros

2 Hydrogen Peroxide plant ! Mr. Sparke suggests your meeting Dr Steele together with Mr. Brandis in one of these days

3 The preliminary work for Tata cooperation is going one and will be follow d up hand in hand with Mr. Jenk

4 Mr Mathias will be here to talk about the thermometer manufacture It seems that he has just now got some patent for the Thermomemeter Manufacture.

69

Hamburg
11th September 61

Dear Dr Dugal,

I am not very happy about the general progress of our enterprise, which fact reflects upon our ability to conduct an undertaking of the type visualised and planned by you.

With a solid financial foundation, with first class connections in financial as well as Government circles, with your very logical and correct approach to the problems and untiring efforts if we have not been able to achieve anything concrete in terms of returns, then I think there is something wrong and we must try to recast and mend matters before we sink deeper.

We started with imports and set up for that purpose quite a costly selling organisation without attending to its first basic need which was the proper supply. Knowing Indian supply conditions and Indian supply morals too well, we ought to have spent more time and money at that end in consolidating our supply position first. I think we had enough experience of the lines and the markets so that it was not necessary for us to learn by new experience on the same lines. The experience has shown us again that we shall not succeed unless we can buy the best and the cheapest in the home market.

Cashew : This item has been wrongly handled from the very beginning. We had been today a long way in this trade without any headaches and possibly with some foreign earnings if the original idea of having once own factory or a close partnership like cooperation with an existing party which has been long in the line. We would have then purchased the raw nuts like others at the ruling market rates and would have exported all the finished products over to Continent keeping about 5 to 10% margin on the production costs. By doing this we could have sold the extra lots at a good margin of profit in this market earning foreign exchange and retained only that much what we wanted for our own requirements. We could not do any business in Raw Cashew as we were buying in open market at the days ruling prices as any other dealer and that was wrong in principle, if we wanted to be importers and stockists

As you have created a correct supply position in Anloc meal which we want to handle, in the same way we must have own supply organisation in India if we want to make Cashew a success. You may differ but these are my confirmed views on this subject.

Even today the Cashew market has not improved and there is as yet no demand in the market, with which I am in constant contact through two buyers.

Messrs Plessner & Co. Neu Isenburg have so far taken 57 cases within 4 weeks. That means they have started packing and marketing the Cashews. It will be worthwhile to have personal talks with Mr. Plessner.

Our second item of import has been handicrafts. I have 11 years experience in this line. This line has a very limited scope and it can be only exploited if we can buy from the producers in India what we need. We have set up for that the costliest selling machinery depending on fantasts as salesmen and pigmies as suppliers. The whole International Emporium is dying under the load of expenses without equivalent arrangements or earning. Their turnover in other items of German manufacture is not bad but the overheads and the continuous pressure of worthless Indian handicrafts will never allow that organisation to raise its head.

Re the proposed change of office and organisation

Since the day you told me about your intention of centralising all your activities at Ballindam, I have been thinking over the matter and to understand how this change can help us or it will be detrimental to our cause.

Looking it from various angles I see that instead of saving, we shall be loosing and disturbing the working to a great extent. If all are agreeable and find your solution as correct I have no objection sitting at Ballingdam and therefore taking a final decision I should like you to sit together with all those who will be responsible workers to-and let them argue their point of view, and say that they are perfectly in agreement with your views and the work will not suffer.

Orient has just come here and getting settled. It has got here the necessary store room, the facility to open the large cases and open them and the expenses on rent etc are just enough which they can conveniently bear.
If they were to go to Ballindam they must have a separate storing and handling arrangement for their goods and one man will have to be there all the time for day to day sales. It is not easy to find a suitable place in that locality for this purpose. If at all one finds it it will be costly. The change to Ballindam will not bring any relief to Orient Trading

Mr. Antonio has just changed over to this place. He is just getting settled. It is not easy to find suitable apartments which should also not be costly. This will again me chasing about.

This means both Antonio and Orient will be inconvenienced and will have to paymuch more than what they are doing today.

I should therefore suggest retaining the present arrangement onthe ground floor as it is.

Re International The present selling programme is based on coordinated effrts of Mr. Antonio, Mr. Egge and Langer . Mr. Langer alone will not be able to do the work as envisaged by you . Further if International is selling today about DM 100.000 per month as the result of combined efforts, we cannot possibly reduce that figure by cutting down the men and cutting down the sales.

Ou present rent , light and other expenses must be in the vicinity of of DM 2100.-- or there about per month. If we try to find a godown space suitable for Orient as well as for International, we shall be adding further 400-500 to the expenses and the presence of a man there costing furtner DM 500.-- Instead of making any saving we shall be adding to the expenses.

It will not be advisible to disturb the present house and office arrangement and try to save by renting the front rooms. That saving can be done if necessary by renting some rooms on Ballindam for which you can get interested party any day. By renting rooms here ~~you will~~ the original idea of receiving business friends and other germans at your well furnished flat that creates the necessary impression will be lost.

You have always many things of private and official nature that you can best combine and carry out from this place at your convenience You will not be able to tie down yourself to office. It will be a continuous source of inconvenience to you

To

Re the proposed change of office and organisation

Since the day you told me about your intention of centralising all your activities at Ballindam, I have been thinking over the matter and to understand how this change can help us or it will be detrimental to our cause.

Looking it from various angles I see that instead of saving, we shall be loosing and disturbing the working to a great extent. If all are agreeable and find your solution as correct I have no objection sitting at Ballingdam and therefore taking a final decision I should like you to sit together with all those who will be responsible workers to- and let them argue their point of view, and say that they are perfectly in agreement with your views and the work will not suffer.

Orient has just come here and getting settled. It has got here the necessary store room, the facility to bring the large cases and open them and the expenses on rent etc are just enough which they can conveniently bear.
If they were to go to Ballindam they must have a separate storing and handling arrangement for their goods and one man will have to be there all the time for day to day sales. It is not easy to find a suitable place in that locality for this purpose. If at all one finds it it will be costly. The change to Ballindam will not bring any relief to Orient Trading

Mr. Antonio has just changed over to this place. He is just getting settled. It is not easy to find suitable apartments which should also not be costly. This will again be chasing about.

This means both Antonio and Orient will be inconvenienced and will have to pay much more than what they are doing today.

I should therefore suggest retaining the present arrangement on the ground floor as it is.

Re International The present selling programme is based on coordinated efforts of Mr. Antonio, Mr. Legge and Langer. Mr. Langer alone will not be able to do the work as envisaged by you. Further if International is selling today about DM 100.00 per month as the result of combined efforts, we cannot possibly reduce that figure by cutting down the men and cutting down the sales.

Our present rent, lighting and other expenses must be in the vicinity of of DM 2100.-- or there about per month. If we try to find a godown space suitable for Orient as well as for International, we shall be adding furtner 400-500 to the expenses and the presence of a man there costing further DM 500.-- Instead of making any saving we shall be adding to the expenses.

It will not be advisible to disturb the present house and office arrangement and try to save by renting the front rooms. That saving can be done if necessary by renting some rooms on Ballindam for which you can get interested party any day. By renting rooms ~~you will~~ the original idea of receiving business friends and other germans at your well furnished flat that creates the necessary impression will be lost.

You have always many things of private and official nature that you can best combine and carry out from this place at your convenience You will not be able to tie down yourself to office. It will be a continuous source of inconvenience to you

PROJECT REPORT 71 1961

1. List of items to be manufactured with descriptive literature and prospectus.

2. Phased program of manufacture

What will be a profitable economic Unit of production to start with.

It should however be borne in mind while planning for machinery and equipment that the production capacity could be doubled in course of time without major changes.

3. Machinery required for each phase

(a) Complete list of machinery giving full specifications and proforma invoice with prices and descriptive literature/prospectus.

(b) Items of machinery out of the above list which can either be fabricated in India or purchased in India.

4. List of basic raw materials with complete specification.

(a) Its possible availability in India and to what extent
(b) To be imported
(c) How the Indian availability can be stepped up and relatively imports reduced
(d) Total value of raw materials required per annum.

5. Any components to be imported in early stages. If so value of imported components per annum.

6. Power requirements

7. (a) Indication of how much total land is required for the factory and offices
(b) How many sqare meters of built-up area is required.

(a) for factory
(b) for offices

8. The cost of production based on German conditions -

Raw material
Power
Labour
Overheads (factory)
Nett manufactured cost
Office
Other overheads -actual cost price
Selling price

9. Number of foreign technicians required.
Number of Indian technicians required to be trained in Germany.

How soon in your opinion foreign technicians can be replaced by Indian technicians trained in Germany.

10. Indication of total Capital required for each phase:
How much in D-Marks?

How much in Indian Rupees?

11. Export possibility

(a) To which countries?
(b) Probable value per annum?
(c) Possibility of exporting to Germany complete or half finished parts needed by the German factory for expanding its production program in Germany.

12. A brief exposé of method and technique of production.

13. List of components involving higher labour intensive

14. The details which the manufacturer will like to know about Indian Market Survey.

15. Expected annual turn-over and rentability of the project.

73

Hamburg, 17th May, 1961

Dear Dr. Dugal

It is now more than one year that I joined hands with you to help you in your efforts to establish in Germany a representative Indian Concern to develop Indo German Trade, not in the manner it had been done so far but by creating closer personal contacts with buyers and sellers in this country.

The Governments of other Countries give all-out help to such pioneer efforts. It took you bng to convince our Government about the usefulness of such an enterprise, and although you have succeeded in getting a few concessions, still you are not completely out of the woods.

I decided to work with you as I saw in it the fulfillment of my own ideas and thought that my experience in trade and Knowledge of this country will be of some help to you in the initial stages of development.

As I often said I would have liked you to be here a few years before and not when Germany is saturated and Germans look satiated. In those early days of development your work would have been easier, but as you said there is also pleasure in fighting the way through hard regions.

The year has given us ample time and opportunity to know each other nearer, and I think that both of us have no ground to complain about each others choice of comanionship. From my side I can only say that in my long life of very rich experience I have seldom come across an Indian business man with such a broader outlook, tact, resourcefulness, finance and yet with a great stock of idealism which is a rarity in our business world.

After having successfully struglled for last 35 years in various fields I was on thepoint of renouncing the world when I met you. I have no great ambition in life to be something more than what I am, but I surely like to be active and it only pleases me when it could be in the field which was my hobby all my life. - and I am more happy to work having come across a person like you. My work with you however is not pastime and routine but I feel responsible for the success or failure of the undertaking even though I may not be financially involved.

I know that it is your finance and as such any decision involving finance should be taken by you - You are a clever man and know what is in your interest and how far you should go, you are also young andcan afford to play a game.

Now although the finance is not mine, still the responsibility is mine to some extent, as I see the success of my mission, in the success of this institution and as such think that I must put in a word, whenever I feel that we are not on a right path. I can only make suggestions as after all it is your finance and your argument will have to be final.

As we are entering into fresh year I take stocks of all that has been done by you so far and give my own opinion about it. I have the feeling that you do respect my opinion to some extent and till that time I shall have no hesitation in arguing my points - Before going into the affairs of Dugal Company I should like to say a few words about the other two institutions. -

In my opinion, the two institutions Orient Trading and International, are going to be constant headaches and are not likely to be even self sufficient unless manned with proper personnel. Mr. Paul alone cannot run the show there. There must be someone with administrative capacity to look after all the official work and Mr. Paul does the selling here and in mofussels, travelling about with a car all the 5 days of the week. This means a total expenditure on the office of about DM 3000,-- to 3.500,-- per month which can be met by monthly sells of 30 000 - 35000 at 10% - To make the concern profitable either turnover must be more or the percentage of profit. This in its turn will call for capital investment of atleast DM 200.000,-- This again means consciencious hard and systematic work.

Your idea of Mr. Jagtiani helping part time is not practical. It is only a fill up arrangement but not a sound business proposition. Two men cannot work together with divided interests. Their interests must be pooled together and then only there will be fresh idea, fresh initiatives, search for new ways and means will go to make the life of those working there a success.

If today according to your suggestions Mr. Jagtiani is going sometimes to Orient, it is at the sacrifice of work here or work there. It will never be a perfect work. If Mr. Paul or Mr. Jagtiani agree to whatever you say and try to do it, it is not out of conviction, but because they feel that they have to obey your orders. They have no other alternative but to carry out your orders right or wrong.

Sometime back you wanted Mr. Paul to shift here with all his things. It was a wrong thing to do and yet he was ready to do it and thinks even now that I spoilt his chances of bringing his office here. Same is happening with the car.

No adjustment is possible when two persons are operating from two places for two different types of work.

This is how I see to the practical side of the working of Orient Trading.

As regards International = It is a top heavy organisation for the kind of work you wanted to do there, and luxirious an establishment for any article in which you have no monopoly. For the type of business that is being done there two or three rooms in some near about locality would have been sufficient.

I do not know the exact monthly expenditure there. It may be somewhere near DM 6000,-- which means monthly guarnanted turnover of at least DM 60.000,-- to cover the expenses and much more to make it profitable. It is not quite easy selling, there where we are, and Mr. Egge having a free hand to sell like products through Gerfin.

Horn Products and Brass articles or as a matter any other articles of Indian Handicrafts could have only been treated as a small side show of your office, had you your own office there, and reserved two back rooms as show rooms. From the very beginning I had been doubtful about the success of that set up. Iam not a pessimist by any stress of imagination, but having gone through the mill of all these things I have become more realistic and you should credit me for some sense of correct judgement. - Then your making arrangements with men like Datha or Baber for supplies of articles from India might have been guided by your benevolent and helping attitude towards those who approached you but it has positively not helped your efforts here. Having your own office and men in India, you could have sent a man to Moradabad with money to purchase what International could have sold, and this man would have purchased the best at cheapest prices.

I could not have even dreamt of burdening me with 30000 worth of Horn articles. Mr. Egge had been quite new to these things and you have unnecessarily locked up your money in that. - I wish you take some drastic step for curtailing the expenses to the minimum. Here again you have tried to fill the gap by posting Mr. Antonio there. But that cannot be a permanent solution - Having started that big show you cannot close it down. On the other hand it isavery expensive place and those working there will not have an easy time to see both ends meet.

Dugal Company: Cashew: In reality we have started the actual marketing of Cashew in November last year - Being completely a new article and that too costlier compared with all the other articles that are offered in the market

as drink snacks. Apart from ground nuts which are now offered by number of firms there are salted almonds, Hazelnuts, Potato Ship, cheese cakes, salt sticks, salt buisquits, Prätzel and a few more things, which are all cheaper than Cashew, an unknown something.

The progress made in 5 months in introducing this article without making any special efforts, which a new article demands could not be called unsatisfactory. It has shown now that by special efforts made, this article has fairly good chance of getting popular and could be a profitable item. No one knew, when we first discussed it with Mr. Bertram about possible turnover. It was only an assumption that it shoudl come to a figure of 10 tons permonth, but it was a folly to base our calculations on that assumption.

Perhaps it would have been better if you would have formed a separate company with some one who would have invested the same amount, say 25000 pounds to start only the Cashew Trade. I cannot say how such a partner ship would have functioned whether it would have been better than the present arrangement with Messrs Bertram & Co. or worse.

No established firm would have from the very beginning started on this one article with that intensity as you expected it. You wanted to make it your main item whereas for all the others it would have been a side item. Taking this into consideration I may say that our choice of Messrs Bertram had been the best.

Now our trials have shown us that if one could work exclusively for this item from the beginning that is roasting , packing and selling it may be more profitable. However, before going into the processing part of the same we must build up a perfect sales organisation, to guarantee the distribution of our daily production.

Mr. Mehta is a good sales man but he alone cannot do the job and it is not easy to get people of this type. We have therefore to depend upon the selling machinery of the type of Mr. Bertram or any othergroup - Perhaps we may find one or two more salesmen in course of time, but till then our progress will have certain limitations and hence it will not be advisable to burden ourselves with new responsibilities of processing as the same is conditional to uptake both of Cashew and Groundnuts, which we have not even tried as yet.

I am afraid you are going too fast with your program of processing , neglecting the very important factor of proper persons and their capacity to attend to things.

To set up a factory to roast one ton a day and to

sell it is not as easy as you have visualized. It will need at least 10 workers including superviser and one delivery van if we pack with half automatic and two less workers if we get an automatic filling and closing machine. Even then it will only pay if you have one of your own men attending to it personally.

Cashew Imports: I do not know what you had in your mind when you closed contracts and purchased 85 tons of Cashew last year even at prices as high as sh 475/480. You gave me your reasons and that was to be sure of stocks here basing our sales at 10 tons permonth from the very beginning. You persisted in it even when you knew that we had not commenced with it in September. I wanted to stop the import when we had here 50 tons, but it was not possible. Already by the end of last year we had 85 tons of Cashews here. Just in Nov., October prices were little better when I wanted to dispose off at least the first lots but you stopped me from doing so and wanted me to quote the ruling prices at which business was not possible.

Already in January the prices came down, when buyers here began to receive cheaper offers and we could only sell smaller quantities from ready stocks. We might have sold more had we 320 quality which is the most common in this market. I wanted to contract at cheaper prices in January and sell raw cashews to the market. But you were not very enthusiastic about that type of business and we decided to do the best with our stocks.

All of a sudden fresh documents for 240 counts at sh 460/- were presented by Deutsch Bank which are being followed by others. Had you an intention to import further quantities, inspite of the socks, for reasons only best known to you, then you should have closed the forward contracts only for 320 quality wanted here when the same was offered at sh 420/- or perhaps even less.

It is your own finance and you must have your own reasons to purchase 240 quality and at higher price. I am not expected and I do not want to question on that point. I may only say that had I made contracts of that type you would have asked me to quit your office withing 24 hours.

With the new stocks coming in when the old have not moved we are today not in a very happy position with the bankers and our payments and finance is unnecessarily overstrained.

I ask myself a simple question and that is whether it is necessary for us to get blocked like that so that we could not pay to Wehrstedt & Sprung for Cashew an due dates or make such other payments.

I think it is not necessary provided we curtail our ~~unnumerative~~ remunerative activities.

I am placing this before you as a friend who would like to see the smooth running of your work. You are a young active man who wants to force results and may laugh at my senile views, but even then I think it is better that you are apprised of them if I have to work with you.

Selling:

Mr. Mehta's performance is quite satisfactory when he does it, but unfortunately he is utterly unreliable. If he were to put in regular work every day even for a few hours with an intention to sell, I am sure that a good deal can be achieved, but I have found that it is a job to make him work with a laid down programme and system. It is no use if he sells even 50 cartons in one day and then we are required to wait for some weeks till we get further orders, for example, after he finished his work at Munich he should have on his own started finding out other sources but up to this date nothing has happened. Orient Trading has sold since then only about 9 or 10 Kartons. I have been after him since 10th of this month to sell raw cashews. I gave him a list of ~~buyers~~ and importers and asked him to see these people. He knew quite a few of them andI told him that I am ready to visit together with him a potential buyer when he wants it.

The result of the work so far has been that one broker , Mr. Stut who is also known to me, sold 25 cases of 320 counts of the incoming shipment to Mr. Zieler also a party known to us.

He further sold about 9 Umkartons one evening in the area of Reperbahn.

If we were to build up a sales organisation, depending on the whims of people like Mehta and now think of setting up an independent processing factory we shall be running a risk. I am quite sure that Mr, Mehta although he knows that he can sell has not that perseverance and sense of duty needed for this type of work. He will not be able to have a group of people under him who are to be guided and trained and organize the sales as he lacks all those qualities.

Mr. Jagtiani had never given himself as a good sales man but he is reliable and arduous and systematic but then he will not be able to do either the one or the other if he is asked to do half a dozen different things.

I have already written about the half time work in Orient Trading. Since the time Jagtiani was asked by me to build up cashews he got together some set clientele of by a slow progress, but unfortunately we are not able totake care over of this and we have thereby lost all the benefit of the work already put in.

I had once to argue with Bertram to give us the working of the north zone completely, but unfortunately we have not been able to develop that. Writing by post or even placing cards with the dealers is ineffective at this time when this new article is being introduced. It needs a personal following up and for that we must have such people who would do the job with heart and ~~sole~~ soul

This note means nothing but loud thinking. It attacks no individual It is my reading of the things. I think a change is necessary. You may differ with me in which case I cannot stop you continuing on the same lines.

You are doing excellent other work and more of your energy and time is taken by that. In the short time that you are here you want to force certain issues which look very attractive theoretically but have got many practical drawbacks to be surmounted. It is not that these practical hurdles could not be got over and the correctness of the theory proved but it is only a question of time

Yours sincerely

H Gourley

27th Oct 61

Dear Dr Dugal,

I am sorry I am not able to place before you anything pleasant which could make you feel happy but something that is not very palatable. I am enclosing a separate note on Cashews. As you will be again going away for some time, I shall also write a few words about other things, which others do not want to, as they have to accept your decisions as final word.

I have come to know you as a man with a large heart, munificent in your own way, who wants to make people happy and as far as possible do not want to say no to a request. In short, a Badhshah character, but then also with those princely failings, the princely whims, which demands things to be done without any argument to the contrary even if what is ordered out or planned is wrong and that is because you can afford to do it. I however take the liberty of pointing out to you these defects and make some suggestions.

Orient Trading : Wanting to help those stranded here you set up this organisation and hoped to see some results atleast in years time. But after that period you found out that the two could not carry o. and separated them and with that completely cut out one of their wings and that was export. Mr. Paul knows nothing about it ~~wants to~~ and does not want to have anything to do with it.
As Mr. Paul thought that he can manage his own import affairs independently, I requested Mr. Jagtiani to take up the Cashew distribution in Hamburg. He was just getting into it and we were just chanelising the Cashew sales through Orient, when that arrangement was disturbed and Mr. Jagtiani was asked to do other things and Orient Trading has nothing more to do with Cashews.
There is one thing which is not legaly correct and that is our making out incoices for cashews in the name of Orient Trading and sometimes in the name of Dugal Company without proper book entries Cashews or anything imported in the name of Dugal company cannot be billed to the customer in the name of Orient trading without a corresponding invoicing from Dugal Company to Orient Trading and this means the trunover taxes etc. Further I do not know if all these invoices in connection with Cashews have been entered in the books of Orient Trading. Eventhough it might be one and same for us, it might create trouble, and I want to see a correct accounting of the Cashew transactions.
As for the importing wing ,with which Orient was supposed to fly, it proved weak in two ways. In the first placex the lack of administrative capacity and ~~secondly~~ the diffidence of the person in charge of it and secondly the proper sources of supply that promise continuity. I tried to help him in his work and often asked him to place before me all the correspondence . He did that for a fortnight and then decided to do it himself. Correspondence is the least part of the show. The main thing is to know the market, to be able to take proper decisions and to have self confidence But it seems that out of sheer fear that he may not be able to sell what he imports which may lead to losses he cannot make up his mind and decide. Another man sitting together with Mr. Paul will not serve the purpose unless he is also a man of the market and a salesman as otherwise he will not be able to take decisions or plan. Mr. Paul is becoming a case for a Psychiatrist who should fathom his mind and give him an impulse and make him free from diffidence and fear. How do you think of running it further ?
Just a few days back I came accross a Hamburg firm of engineers exporters and importers who maintain a large office in Hongkong and other Far Eastern countries and requested them to give me the addresses of first class manufacturers and exporters of Shirts from Hongkong but it is all a question of time.

International and Change of your office to that place : Had I met you before you took those premises and forced yourself into a business of the type, I could have pursuaded you to do something else. You started it as a white elefant and now you are trying to chop its tail and ears and disfiguring it on one side and trying to feed it on subtefuge. I went the other day and saw the place together with Mr. Goetze. I saw how the accomodation is being utilised anday and what will happen when four more persons including yourself, who counts for four, are brought there. I wonder how we are going to accomodate them and see that the work goes on smoothly. As its is the placed looks crammed. Apart from sitting and working without disturbing each other, International will have to receive and attend to half a dozen visitors at a time apart from other visitors, The international show room must be there, apart from that they will require place to receive parcels, open parcels, pack parcels and so on. The entrance room can be a small 'show room' but it is for all purposes a corridor or a passage to all the rooms and even the back rooms which will be rented. You want International to increase their activities and expect them to develop. You also expect to develop your activities and increase the turn-over but that will not be possible in those rooms minus taree back rooms. You will very soon find that you will have choked all the activities and still important part of it is that once you have rented out those rooms either there or here you will not get them back, atleast not the cheap rooms that you have in Heilwigstr.

Not only that you will inconvenience the whole international set up which they will not mind to keep you satisfied, but you will also inconvenience yourself immensely and to some extent lower down your prestige, letting out your apartments.

Your saving in transfering the Heilwigstr office will be according to your calculation about DM 300 to DM 350.-- per month and if that be the only reason, which I very much doubt, then I have to propose a solution to that effect.

As you want to form a new Limited company for your other activities which you are going to take up with Tatas to deal with other products than Cashews or with Hammer and Co, you can rent the rooms to that company, which will be the cheapest and best for any such company that you will start. This will be one solution.

If we decide to engage Mr. Goetze, and allow him to continue with his existing activities, he will gladly take one room and pay for it, because he did not like the room behind in the International It is a different thing if you were to retain also the back rooms in Ballindam for yourself but then thereby you do not bring down the pressure on from International, which you expect to reduce by about DM 450.-- renting the rooms there.

My second proposal with which I do not want to offend you in any way will be, provided you are very serious about it and think that this small saving is going to help you in any way , that instead of my present remuneration at DM 1250.-- I shall take only DM 1000.-- until such times you feel that saving on that head is no more necessary. To me it seems a great joke your trying to save DM 350.-- renting the apartments, as I know for certain that for you, who are used to spend lavishly, a saving of DM 350.-- per month which is equal to your Days expense at Hotel Breidenbacherhof should not mean anything. I therefore think it is more a whim than a serious calculation.

I should like you to be more frank about your intentions that make you take such a decision which does not fit in the whole great conception of your work.

I am sure you want to start a new GMBH? for your cooperation with TATAS and it cannot be possibly in Ballindam I should therefore request you to think ondemore over all the aspects and dont try to squeeze everything in one shell for no rhyme or reason.

The making of a separate entrance for the office section of the apartments can be carriedout to be let out to the new G.M.B.H.

This is all that I have to say today. It is a type of open talk which I had also to do when I worked with Subhash Bose, as no one else would do it

Yours sincerely

Cashews :

I think I am slowly developping Cashew-Mania, reading of Cashew consignments following one after the other. There seems to be no end to it. Their storage, their storage Bills Insurance Bills, Bank Bills are adding up. We cannot dispose off as the prices are steadily falling. From India there are no reports informing us the reason of such a fall in prices and if there is any possibility of recovery As a matter of fact the people here would like to know the reason of this and ask us for explanation which we cannot give.

We have now started selling a little of Raw Cashews but these are mostly 320 counts,. This was one of the reasons why we were not able to sell 240 counts of the last year and we had no 320 to offer at that time.

Because ofsteady fall in prices there are no buyers in the market and if anyone offers to purchase small lots he asks for ridiculously low prices. We want therefore an Indian Market survey to know if there is any chance some rise in price or atleast the market is showing some tendency towards it.

I have often made suggestions to have someone to attend the packing and forwarding of our purchases,.. People here are afraid buying without inspection of the goods as they fear adulteration and even infested material. All the material that we are getting now is old material and there is no guarantee of its being faultless. When we are storing these here without any inspection

Already our old stocks are more than one year old and there is every chance of their getting deteriorated.

We ~~ax~~ have therefore to be very careful and see what the shippers pack at the other end. They must have old stocks which they will ~~as~~ try to dump. I have no faith in their integrity neither have I any faith in the inspection that takes place there. I therefore often requested for personal attendance and the packed cases to be tied and plumbed with a wire.

The packing of the cases is miserable and almost every consign ent with cases in damaged condition. There was already a complaint about it in India. They only take the two end or side boards about 3/4" thick and then nail on that on all the four sides very cheap plywood planks which are then held togetner by two Hoop irons bands. As the the cases are loaded in cochin and are unloaded here there ought not be any damage, but the packing and loading is done carelessly with a result the consignments come in~~x~~ damaged condition and as we do not take ~~delievy~~ delivery of the same immediately, the same go to storage in the same condition

and we know about actual damage when we take the delivery. There had been no complaint so far about the material being infected except in one case when a delivery made to Messrs Woolworth by Messrs Wehrstedt and Sprung had to be replaced.

Global Bank people are good but one in charge of Document department is a bit fastidious. There are consignments with them for which they have advanced and consginments worth about DM 100.000 for which we have paid, but you allowed them to retain the control on this lot also. As we sell small lots and even for big lots we have always to go to the Bank and get from them the clearing documents which are then handed over to the Spediteur before he can pay the customs and clear the goods. The easiest way for us will be to keep the clearance papers with the Spedieur who can expidite the delivery immediately we have an order and we inform him about that. We have come to some arrangements wherewith we can get these clearance certificate for small lots against the consignments that we have paid for, but it will be difficult when it will come to taking out the lots for which the Bank has advanced the money. They demand for such lots, payment in advance which is often very difficult to manage.

As the other buyers in the market generally demand 320 counts it may come to that that we shall have to continue packing only the 240 quality which will otherwise lie on our hand unsold. This point you will have to consider in our future sales Program. The decision about sales and sales drive is the only alternative for getting rid of the stocks and this has to be decided and settled once for all and immediately. Not it not remain undecided for any reason

1 decision about contents of a bag and its selling price
2 decision about as to who is going to order out the packing material
3 decision about who will do the roasting, packeting and supply
4 If Mr Bertram can not do all these above on his own which of the three he will undertake to do and who will do the rest

Hassia people had shown their willingness to do everything that is printing the bags, roasting and saalting and also packing. If we print the bags and supply them for packing it will be cheaper but there is an investment of atleast 100.000 in all the packing material needed about which we must be very clear After all this is clearly settled the next item of discussion with Mr. Bertram will be the propaganda and marketing effectively without any private or business prejudices

Our only sales activity for the last few months has been Karstadt. The sales otherwise are very poor. In Hamburg the ~~grea~~ largest metropol, where we are at home we are not in the market except in Karstadt houses and that too when our propagandists are there We have two special men supposed to be working on Cashew only at Hamburg but we have as yet not been able to win over even one whole sale dealer and lost practically all the contacts created at the begining. I should therefore suggest to put all thbse who are at present working on Cashew and Mr. Goetze whom we want to engage on an all out drive in Hamburg and let us see what results are obtained in next 6 weeks time which ~~ends~~ period ends in Xmas.

Let that costly propaganda machine y expenses which is being spent outside be utilised for work in Hamburg so that we can see on the spot the effect of the same and may be conveniently followed on the same lines in other cities. That which will succeed here will also succeed to a greater extent at other centres. Now that it has been seen by the propaganda we made at Karstadt houses that Cashew as an article can be sold provided it is done in a manner we have done at Karstadt. It was a success even in the smallest centrexx

Let that propaganda policy be laid down on the suggestions we have received from Mr Goetze and our own experience, and let Mr Goetze or anyone else be in charage of it to carry it out in all its details without having to refer back. And for that purpose whatever money will be earmarked should be kept at the disposal of the person in charge.

Let there be a meeting with Mr. Bertram if necessary for the whole of the Afternoon but let it be with definite points on the Agenda of the day on which decisions have to be taken in quite clear terms

Karstadt attitude even though patronising in as much as they gave us the priviledge of making propaganda at their Houses has not beenvery helpful from the point of view of creating a permanent source of sale eventhough they are quite convinced of a good demand and consequentx source of income to them. If they do not support us further by substantial orders on their own, we shall have to find out out other sources and ways of propaganda.

I have written a letter to Mr. Bertram and sent to him an Ajenda of the meeting which must be held even for two continuos days if necessary, as per copy attached.

8h 19th Oct 1961

Cashew sales Propaganda and actual work :

Throwing all the weight on Karstadt work, which had its propaganda value, we have neglected all other work because Karstadt wanted it to be so. Now that we have given every satisfaction to themffrom the point of sales, propaganda, spending quite a substantial amount over it and abstaining ourselves from tackling other such sources it will be now with Messrs Karstadt to take a definite decision as to in what way they would do this work on their own and quantities they would be ready to take per month on their own. Unless some positive proposal comes from their side which promises the continuity with only partial efforts on our part, there will be no sense engaging ourselves in that type of work after the 15th of Nov that is after you have visited Mr Goeth.

To help them in their selling : 1 We can bring down the prices as would be suggested by them (that is either for DM 0.50 or DM0.70 as selling price.
2 We can keep at their selling stands our Selfseller Stand as designed by Mr. Goetze
3 Perhaps if they desire and promise a large turnover one print Bags with Karstadt name coupled with Dr Dugal
4 Informing the public with a circular of availibility of Cashews at their Stores

Those who are working at present at various Karstadt Centre should concentrate their work for coming two or three week in doing intense work in Hamburg

Just like EDEKA there are others in Hamburg with their own ~~shops~~ chain shops. Those should be approached on the same lines as EDEKA or any other suggestion that they may have to make.

If Edeka needs Photo to print their Xmas magazine with a story of Cashew the same can be done without waiting for the coloured photos We have about 6 Photos from which blocks can be made suitable for three colour printing

Definite decision should be taken forthwith about the size of pack and the price. As for immediate propaganda or sales medium the selfselling stand as designed by Mr.Goetze is a good attraction that could sell without the shopkeeper having to say anything about it or offering it to a customer.

Two thousand of these should be orderdd atonce as the same cost about 2.50 to 2.80 per piece. These should be given to each retailer with one Show box worth of Cashew on credit. Money to be collected and fresh supplies made by our men until such time

Wholesellers attention is drawn to it by direct or indirect approach The propaganda of writhg cirvular letters to housewives will have tc follow locality by locality after the availibilty of Cashew in retail shops in that particular locality has been assured

The money that we have spent so far in propaganda in Karstadt houses have shown only temporary results as no continuity has yet been assured Perhaps that amount spent on intensifying the selling in the whole of the City there are better chances of a continuous business.

The organisations of the type of EDEKA, should be approached by Mr. Mehta Mr. Jagtiani. Mr. Westendorf. All these days whenever they have gone anywhere they came back saying people are not ready to take this unknown line and about their complaints of high price and less margin for them Wholesellers or retailers. Now that all this has been finally decided in reply to all the objections so far raised, there is great likelihood of greater success.

In my opinion those who are delegated for this job are not active in selling the Cashew and finding ways and means. They become passive onlookers waiting to be told, doing that much and nothing beyond that. The silent selling Dummy will be very handy and could be transferred to the localities or shops according to selling results

It seems from the calculations submitted by Messrs Wirstedt and Sprung that 40 gr packing at DM 0.70 selling price is the only workable proposal after we discard the DM 1.-- packing. Let us therefore decide once for all the 40 gr packing.

Let it be decided as to who orders out the packing and who will do the roasting salting and packing. Whether Wirstelt and Sprung will undertake to do it or Messrs Kassia who are willing to do that

Because of the want of finance we have tied down ourselves to Whirstedt and Sprung or Bertram and we cannot break off and do things on our own unless we have liquid funds to operate upon

Sometimes back Mr. Jagtiani was saying that Java Coffee people are willing to allow a sales propaganda in their shops. These are very good selling centres as the whole day people are coming there to drink a cheap cup of coffee and also buy so many other small things which are in the line of Cashew. This may now be taken up and let us try to free ourselves from objections raised either by Karstadt or by Mr Bertram as in case of EDEKA.

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3rd March 62

You will need quite a lot of time to discuss and deal with the following projects that you are taking with you :

1	Tor-steel	Phoenix Rheinrohr
2	Technical Office	
3	Pipemanufacture	
4	Telepole	Steinmeichler
5	Shirt makers	Mr Bauer
6	India House	Linden
7	Restaurant	Gaylords
8	Ball Point pen Bombay onte 12th	Schwanhauser
9	Blast Furnace	Fringe
10	Pthalic Anhydrite	Reichhold Chemie
11	Nitro Cellulose	Wasag Chemie
12	Cat Nut	Dr Raju
13	Plywood or wastewood board	Messrs Schroder

However you should give the first preference to Manioc Deal which has been concluded and may cause unnecessary headache if not attended to atonce. Therefore kindly see to it that we get samples of the goods purchased and will be purchased. Let us know exactly when ship ments can be effected. One need not wait till one or two thousand tons are collected, but let there be some regular shipments if possible every week. The purchase from Ramanlal Shah and the announced shipment of 300 Tons is all clouded in Mytsery. Please therefore see to it that we have here correct reports about shipment possibilities. As you know that there is a demand even at Pounds 26.-- and more if quality and shipment is guaranteed . Please see that this apparatus functions like a clockwork and leave nothing for us here to guess.

Copra Cake : State Trading wanted to offer both the qualities but made no offers at all. In our letter to them dated 13th Feb we had informed them that even if they cannot make any arrangements for Febr shipment they should let us have offers and samples for shipments July/Auguste and later. The prices for this article are between Pounds 27.-- and 29.-- Indonesia and Ceylon are the competitors.

Mica Powder : The third item that we are going to take up and which show some prospects will be Mica powder. Mr Garewal of Mica Grinders Jaipur ~~have~~ has been informed about your arrival in Bombay. He will contact you. We are expecting his samples. We have also asked him to give us some indication of price. Before he comes here he should be pinned down to some agency agreement.

Other important thing for you in Bombay will be to have talks with Mr. Chauhan of Elphinstone Spinning and Weaving and Mr Parekh of Leather Processing and try to finalise those deals if possible. Messers Hofmann and Schwabe have given a tentative list of parties that Mr. Peter Schwabe should contact during his stay in India and someone will have to take charge of him

These are in my opinion the immediate problems which are going to help us to build our assets on this side and I should like you to kindly write to me if not about the development of the 13 projects mentioned above atleast about those which I have requested you to attend first

I have got to follow up following projects here :

1 Bolts and Nuts Messrs Karcher
2 Flexible shaft Mr Witzemann
3 Aluminium Conductors Which is being taken up together with Messrs Siemssen and Co
4 Wire Rope Given to Messrs C outinho Caro
5 Cement Asbestos Do Do

CCC Baumann informed that they can work out these projects prefereably on a barter or East Block Switch transaction, instead of long term credit arrangement. Both Mr. Clarke and Mr Ligner are at present in East Block countries to study the possibilities of such switch transaction. They want to see if India or East Block countries can import such items from India which Messrs CCC can sell here.

In this connection there is also a suggestion from my side and that is to find out if we can get aluminium foils from India from the existing factories. According to Bombay office information there are a few manufacturers of foils in India already so that this could be interes ting as a testcase for us and CCC if we could start importing the foils now.

6 Valves Messrs Simssen have written to a dozen firms but there is no response for collaboration
It may be possible to find some interested parties at Hannover fair as a result of personal talks, not only for this but for some other projects.

The various projects and the working of it 88

1	Phönix Rheinrohr	Gas and Water pipe Torsteel Technical Office
2	Steinbichler	Telepole
3	Linden	India House Restaurant Blast Furnace
4	Bauer	Shirt manufacture
5	Schroder	Wastewood board plant
6	Schwabe	General Industry (Handa_) Peter Schwabe
7	Karcher	Bolts and Nuts
8	Schwanhauser	Ball pointed pens
9	Witzemann	Flexible shaft
10	~~Waldemar~~	~~Valves~~
11	Catgut Dr Raju	~~Catgut~~
12	~~Sie~~ Reichold Chemie	Phtalic anhydrite
13	Coutinho Caro	
14	Harbourger Metal Giesserei	Valves
15	Siemmessen	

The idea of starting a Pig iron and steel manufacturing plant of a siz which is not too large but also not small, with all the modern methods of production, with an attached uptodate foundry for casting should be considered as welcome and solvent investment. The very fact that Japan is mining the ores in India, and with it taking shiploads of scrap from our country to feed its industry and supply iron and steel at competitive prices shows the scope of converting ores and scrap into pig iron and steel and its products in our own country, whose industry is steadily developping

Instead of making pig pig iron or steel ingots one can straightway go to the foundry to manufacture th castings required by various industries, we shall be eliminating one or two stages and can supply the castings cheaper than what individual manufacturers of machinery can produce. Moreover in the machine manufacture good castings play a very important role. That means a good foundry has got a great future in India.

The place :- This is always a question for discussion and survey as to whether the industry should be near the market or near the raw material supply in this case Iron and coal, the space and the transport Water supply and electric energy. Taking this into consideration the only suitable place for this industry could be the area in which all these facilities are available including a connection by sea.

There is a growing demand by Railway, ship building industry and other machine industry for :

Grey castings (Pig Iron)
Steel casting
Malleable castings
Forgings
Hot stampings

The first two types of castings are manufactured in India by many but the last three items, as far as my knowledge goes, have not deveopped in the country so far.

Another line of development which forms a basic equipment for every kind of industry is a machine tool industry which has a great future. There are very few machine tool manufacturers and their range is very limited. In this industry also castings take a very important place, apart from the later machining part

Mr. Bertram first wanted to talk to you about Banks financing part about which I have written to you once. As it is now long time the Bank would like to know about the payment.

Karstadt work. Mr. Bertram has seen for himself that Karstadt response so far the purchasing part is concerned is not adequate enough to justify the propaganda expenses.
He has himself written to us here showing the heavy expenses when for example Mr. Mehta went to Duisberg;
I have always tried to bring this to his notice but he was still insisted upon this propaganda which has really cost us much
It was once decided that Mr. Mehta should occasionaly ~~there~~ visit some places but there should be no regular propaganda drive throughout the month.
It seems that Berlin is going to be the last station after which Mr. Mehta wants to do the propaganda only 15 days in month and for the 15 days he wants to be in Hamburg selling the Cashews on- in the capacity of Grossist and earning his own on the sales

Ideka Mr- Bertram was first against Idea because he said they were not very reliable and wanted to have from them definite orders Then he did not like that our quality should be put on their packing as the same might have created conflict as they wanted to sell at Rm 0.75 against our DM 0.90 and they were packing 320 qualit as against just 240 -- Until there ore we refused to do any printing of the bags
Now we have taken the risk of printing the bags worth about DM 3000.-- on our own. The packing part was difficult which Ideka have taken upon themselves and so also the supply of their own new cartons and upper boxes and are going to put the Ca new under their own mark so that they cannot be considered as competitors in as much as they will be taking the roasted and salted 320 Cou s from us. This business leaves us our orginsation about 1/3 nett. Ideka wanted the services of Mr. Mehta which may be leant to them on clear unterstanding that they bear all the expenses as they are going to sell their Packing However Mr. Bertram would ~~have~~ have no objection to it in as much as Mr. Mehta will not be on the monthly payroll of Messrs Karstedt and Sprung.
When Mr. Mehta starts working on his own the maintain-ance of the car will be his job or the car will be attached to Karstedt and Sprung organisation for supplying the orders

Edeka will not mean now any risk or ~~copmet~~ competition in as much as they will have a separate selling program just like many other packers and sellers. ~~only they~~ As they agree to purchase the roasted and salted cashews from us we do not stand to loose anything. Mr. Bertram will have to be told that we shall supply the 320 quality from the stocks we hold but the same will go to common account. There must be a clear understanding on this point as Mr. Bertram is very keen about getting rid of the stocks he is holding. Because of the Bank credit question he is not even taking from us for the sake of roasting the 100 cases of Cashews which we still hold against x the Ganesh Naik consignment which was once in dispute because of inferior supplies. In reality we must clear these cases so that we can know if there are really more inferior quality tins there out Mr. Bertram dosnot want to pay to Global Bank for these which are in their possession.

This financing part is putting us in a very ~~tight~~ Plight corner and it will be better if you will once for all settle with Mr. Bertram on this important point

There are so many smaller matters including old outstandings of present Trading which have to go to common propaganda account then there those items like the packings meant for PK stores the sweated or sugered Cashews.

The question of working the Hamburg market alone is not as yet been properly decided and organised

Review of the work of the last two years and some observations regarding the work in future :

We started actualy working at the present place Heilwigstrasse 33 in October/November 1960 as the apartment was being done up and furnished. A month or two earlier Ballindamm office had already started functioning, whereas Orient Trading Co was doing some preliminary work in their office at Sandsbeck.

Everything was started with great hopes and necessary initial capital investment and assurance of financial backing as and when needed for the development of the work entrusted to the care of those who had good intentions but limited knowledge of the work that they took in their hands to develop.

At Heilwigstrasse 33 we started with the import of Cashew nuts to be roasted salted and sold in cooperation with the organisation of Messrs Otto Hertram and Co.

Bharat Company with the other two offices was in itself a pioneer effort of Dr Bhagat. Although India had built up quite a substantial import and export business with Germany between the periods of first and second world war, ~~there was~~ no serious attempt was made by any Indian merchant or an Indian institution to open an office here to make direct contacts with buyers and sellers here, which would have been of great advantage to the party concerned and also to the Indian national economy. No Indian industrialist or merchant had even given a thought to this side of national economy. While Congress was struggling for political freedom, the large merchant class and the limited number of industrialists, that we had then, thought to have done their duty towards the struggle of national emancipation when they directly or indirectly supported this movement in as much as it helped them with ~~their~~ its slogan of Swadeshi and Boycott. Neither Congress took stock of National economy from a constructive angle nor our merchant princes dreamt of it. In 1934 I read a paper in the general meeting of the Federation of Indian Chamber of Commerce held at New Delhi titled "The Plea for Indian Representation abroad" Federation sent out a man but without any plan or program with a small stipendium on which he could neither live nor die and without any support afterwards from the members of the illustrious Chambers. The poor man had to close down and leave Germany.

Just as foreign firms came and established themselves in India to exploit our markets, after freedom our busin[illegible]men ought to

have gone out and their enterprising efforts supported by the Government as a long range economic policy.

I am stating all this here because I know how important it is to have own houses outside the country if we want to build up an international trade essential to help our national economy. Not only the foreign houses in our country prove this but also those Sindhi merchants in Japan China and other port towns, the West coast Merchants who have established themselves in Africa and Arabia, the Chettiars and Tamilis that went to Burma, Ceylon and West Indies give us an ample proof as to how these Indians have helped to build up our economy and also the economy of the countries to which they went.

I therefore view the step taken by Dr Dugal as of ordinary importance. It has shown good results in a comparatively short time eventhough Dr Dugal is working single handed and inspite of more hinderances in his way than help. Things would have looked quite different had he received necessary support, confidence and cooperation from the authorities. It also shows how much more could have been achieved if more houses of that type, of that integrity, with those aims and objectives were all over Europe and America.

International Emporium failed to achieve the objective be firstly because of the too heavy overheads with out corresponding supply position and type of the articles that could stand these overheads. Supply position of Indian articles was bad and those who were trusted for the supplies were bad coins. Indian hand loom organisation proved a wash out. Inspite of all this International could transact a sizable business since Mr. A tonic took charge of the office and might have shown ~~shown~~ some profits but for the heavy overheads. The expenditure there has been cut down to some extent and they will have more relief when rent and some other monthly expenses at Bellinzona are off their head. One can then develop the import and export activities only on commission basis with out maintaining any stocks on own account. Attempt should be made to secure German agencies for foreign countries that is function as export agents to small manufacturers who are unable to attend to overseas selling and in the same way to try to get agency or agencies for German market from foreign countries. Try to appoint suitable local agents in foreign countries particularly in Arabia, Africa and Far East where there will be a good demand for those Indian articles which Indian used to purchase before.

Oriental Trading failed not so much because of the commodity but more because of the man in charge. It should be wound up as soon as possible

Duagl and Company started with Cashew:- There are diverse factors that gave this line a set back. The first reason was the speculative raw material market, sudden rise in prices in 60/61 when we did not contract for the whole lot but purchased with the rising prices, and the sudden fall in price in 61/62 when we contracted at the highest. secondly the article was new to the market, thirdly there was no existing sales organisation but we had to build it up, tremendous propaganda was necessary which the partner firm would not venture.

But even then one cannot say that the line is a failure- it is developing and with some sustained efforts we can gain back what we have lost over it today and after that period it will mean only steady earning. Therefore the line should be kept going and it will be worthwhile to put in more efforts on it. It can be a side show of the amalgamated international emporium and Orient Trading organisations.

The second item of development which has come in our way due to your consistent efforts is Manioc meal. Had we been able to get the contracted quantities and more upto 15,000 tons, we would have covered all that you had spent in setting organising your office. Cashew was the first example as to how an Indian house established in the country can do much more to help the exports than dozens of Cashew processors sitting on piles of money speculating and trying to sell through some agents. The agents do not create new markets but they help to feed the market if there is demand, whereas an interested Indian house creates demands

Manioc meal is the second item in which India failed the supplier and buyer sitting 5000 miles away on the edge and watching the opportunity instead of meeting as friends and client the deal on a fair give and take basis, creating confidence in each other and in the Indian commodity which was loosing its ground because of foul play. This can be brought to the notice once again to those Indian authorities who have been set up to build up international trade and a businesslike handling of the contract is assured this year when the season starts. There should be no delay in sending correct offers giving the price and quantities available for shipment at definite times. We try to contract at the offered price or send counter offers for the acceptance within 24 hours.

If this business is put on proper lines and Govt does not spoil our chances, we should be able to earn all our years expenses only in this commodity, which can then be handled by International Emporium,..

Copra and Ground nut cake : Other important items which go well with Manioc meal are the oil cakes. There should be no hide and seek play We must receive straight offers with quantities qualities, prices and all and there should be no drum beating about what India has got to sell and calling for offers.

This will be our additional income. If STC are not prepared to offer or cannot do it then we shall have to find out these dealing in it There is a regular demand for these items at international prices

Then there is the deal in Manganese against steel export from Messrs Phoenix and perhaps other parties.

If we could now develop these, we shall have enough foreign exchange as surplus. I should not like you to try for anything else unless we have definitely fixed up these items and see that by the last quarter of this year we have transacted enough business to be able to rest on the lorrels of our efforts.

We shall add other imports provided we are sure of quality supplies from parties who are not speculators but steady businessmen with enough capital and knowing the routine of foreign trade. We shall only work as commission agents

Mugal Company will further engage itself in industrial collaborations We have at first got on hand the signed arrangements with

Phoenix Steinzeug

Krupp

Pelipole

For all of these you have got your Indian counterparts already fixed

From amongst the rest we have

Karcher Nuts and Bolts

Kasper Batteries

Schwanhäuser Ball point pens

Remmert

Schatt Except Karcher the other four are easier and within your own means I should like you to keep these entirely under your control We shall come accross many such smaller units. you will try to put this in the hand of one single enthusiastic and working counter part in India with some control with you. What the manufacturers like Remmert or Kasper expect is one responsible counter part on the Indian side

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to work personaly. That is to say take active interest in the actual manufacture and not function only as a financier depending on someone conduct the show . This is not a preciated by the small manufac turers on this side who have built of an industry by assiduous labour of their own.

With the case of industries which is as in embryonic a real and fruitful cooperation is only possible not with financially strong working partners but such who have a technical background and not only can understand the technical aspect, eat-e- of the whole scheme but has also got a set up in a form of works and workshop, with men who can work with and. a small bi.e ours lves if we were to get together financiers only. Money is not the criterion but men with an understanding of the line and men with skilled hands who are prepared to join hands with them men here who have built up their works from scratch

T. Sanpuley 22nd June 62

I thought a great deal before I decided to write to you in reply to what you have written on the note that I put to you.

All my notes so far had only the informative character in form of suggestions or questions to inform myself of the progress or standstill in the objective of the company or raise a feeble warning finger against ~~things~~ bad investments.

It had never ~~occured to me~~ the remotest idea of censure, as you have described it in your written reply this time. But if there was a censure it was from your side whereas mine was a defence. It was my defence ~~about the telephone~~ not in my interest but on behalf of those who cannot or dare not oppose you. Everyone knows ~~that~~ that you are good hearted man and if you flare up even at times unreasonably you calm down the next moment.
What do you think might have been the reason if there was no reply to the telephone call?

I have fullest appreciation for your work and your difficulties are not new to me
I joined you because I saw in it the fulfillment of my ideas. I thought I would minimise your work and your losses by giving to you the benefit of my long experience. I wanted to be busy, ~~to see~~ wanted to work, wanted to see things progressing. I want to see success in the short time that I have before me. I cannot plan for 10 years ahead. Moreover the success that I want to see is not with a view to improve my material status at the fag end of my life, having given ~~away~~ away ~~that~~ all that ~~what I~~ I possess to th e charity.

You must have marked that in all the trade or industrial projects which are going to materialise in success, I have never by a word asked you about my interest in it. I not even once thought about it because I do not want it.
All that you had planned to do was not new to me which I can prove to ~~you~~ you from few records that I happen to have here.
I had not been criticising you but making positive efforts ~~but~~ unfortunately instead of helping me and encouraging me you have cut me down.

As you do not want me to generalise things but to pin point it for your information I take first Cashew :
I did not know that you have to do ~~by~~ because of certain Arrangements with Government and that there ~~is~~ are certain concessions attached to it
You have kept me always wondering and fidgeting about ~~for~~ supplies coming one after other knowing that the possibilities of lifting were ~~m~~ limited
When I said that the sales of Roasted and salted cashews would come to about half ton or one ton per month you ran me down and said it must come to 10 tons
Then I attempted to sell Raw cashews. I remember when I ~~had to offer~~ was offering the same with only 10% ~~margin~~ profit that is at DM 6.10 per Kg you stopped me from doing that. On 2nd June 1961 I invited Mr. Stutt to meet you. He is a welknown broker. He convinced you that prices were really going ~~to~~ down. He offered to sell 500 cases to a French buyer to which you decided to give a price of DM 4.20 and the party booked from India at DM 4.15
At that time in June and even before I had been requesting Mehta and Mr. Jagtiani to sell the Raw Cashews ~~as~~ the best available price -
Even to sell the Processed Cashews, I took the initiative and asked Mr. Jagtiani ~~to~~ to organise and sell in the Hamburg market, I put Siganporia on the job, When you were ready to pay expenses and 500 Marks under the scheme you had worked, when we asked Multani and another man to work on a trial period giving them 200 marks towards Petrol expenses you were wild about it. I had asked Mr. ~~Marquard to~~ Markwitz to sell, Mrs Mayer and others. We were just getting in Hamburg market when you came in and cut off everything
Handicrafts :I can show you by documentary proofs that I ~~am~~ was the first to take the initiative and opne the first Handicrafts shop in Europe-Zürich
I thought of making propaganda for handicraft ~~pe~~ according to provinces

Had a talk with Minister of Industries Behar Government who promised to spend aupto Rs 10.000 on it. I got out the material from Bihar and made the first Bihar Handicraft show in Zürich which Mr. Karmarkar the then Commerce Minister was going to open but as he had to go away the Ambassador in Bonn opened it. India Stores spent about Sfr 6000.-- and the Bihar Govt backed out of the promise.

Then since 1954 myself with the help of Mr. Bertram signed an arrangement with Mr. Pannikar the Director of Exhibitions Ministry of Commerce for opening ~~and~~ Permanent exhibition cum selling centre at Hamburg. I had copious coorespondence and meetings with assurances from Commerce secretary Minister Mr. Karmarkar and later Mr. I yengar the Commerce Secretary and the Ambassador in Bonn
This was then passed on the the Handicraft Emporium and production ministry when Mr Bertram had given a written undertaking of spending to the tune DM 6000.-- ~~for the~~ per month for one year if Handicraft emporium will give the facilities of supplying ~~consigment~~ material on consignment basis.
During this period I have placed before them my suggestions and reports. With all this experience at my back you started the international emporium without asking me by a word.

Even state trading is not new to me. I had been in ~~touch~~ direct contact with them. I met Mr. Shandilya the first General Manager of the Corporation. Worked for some time on Manganese Ore and sent my reports as usual to ...

It amuses me when you argue with me that I must know that our people are backward and we should work out the ~~se~~ projects and help them. This type of work I have been doing for 40 years. Industrial and Trade Review for India was the first magazine issued under common editorship of Mr. Nambiar and Myself in the year 1923 and since then I have spent a small fortune and my energy in doing that type of work ~~thing~~. Messrs Coutinho Caro. Siemssen, Hofmann and Schwabe and as a matter of fact almost all the manufacturers ~~ex-name~~ small and great are tired of making project sometimes of 50-60 pages not to hear anything afterwards. Just now a welknown manufacturer Schloemann wrote to me back in connection with the extruded section plant asked for by Handa that they have received so many enquries and they would like to know the name of the interested party

If therefore when I refuse to take action only on an indication that a medical College Principal wants to negotiate with works like Phönix to manufacture some railway parts, you get wild about it.

When even High Officials and Bonn Embassy requests me to right my comments to the protocol which the delegation lead by Mr. K.B.lall was going to discuss or take me on the advisory committee of India Trade Centre where I was the only one who ~~have~~ has submitted my views in writing to various points raised a man like Mr. Nashta comes and has the audacity that my letter was rude and you take the que and ask me to write a polite letter to state trading is the limit. I should like to ~~put~~ place the letter of Mr. Nashta to Messrs Cremer and my letter to Mr. Nashta before anyone to decide who ~~has been~~ rude.

You snubbing me before Kapoor for not having done anything for him who does not want to work actively or ~~asking~~ for not having gone about with that tin of DM 500 worth of samples or immediately jumped to go to Disseldorf

We have now definitely engaged ourselves in the import of three three

Imports

Date 24th Sept. 62.

Dear Mr. Ganpuley,

Quite a few times, during the past two and a half years of our mutual association, you have put up notes to me which were indicative of your censure of the way some of the things were handled by me. You will be kind enough to admit that each time I took up the notes in a constructive spirit and I indeed I always conveyed to you that I welcome these critical self-appraisals. My usual procedure has been that I would discuss the note point by point with you, give you my point of view and let the matter take its due course thereafter. To me these notes serve two purposes - firstly a self-appraisal from another man's point of view and secondly an opportunity to see clearly and in some depth the erroneous conceptions of the other party and thereby try to rectify the same by giving my point of view. So long therefore as the spirit of these notes or discussions is not taken as personal effrontry they are always useful. This time, however, I propose to deal with your latest note in writing and with a pin-point focus, so that you can appreciate matters in proper context.

The essence of constructive criticism is that firstly it should in absolute clear and specific terms, indicate, what precisely is not right. Secondly it should in equally precise terms make concise alternative suggestions in practical sense. If a person cannot make specific alternative proposals, you will concede that generalised suggestions have no practical value and is a waste of breath on all sides. Even more tragic is generalised criticism as to what is wrong. To be helpful, what exactly is wrong, has to be pin pointed.

You have undoubtedly considerable experience in trade and industry. It would be uncharitable if you were to suggest that I do not appreciate the same. Similarly I believe you will gladly concede that, perhaps in some different aspects, I have reasonable aptitude and experience in commercial matters. The essence of healthy co-operation is to make the two experiences complementary to each other. Any rigidity or confusion in application of one's experience would only be of disadvantage to the common objective.

With the above foregoing basic principles clearly stated, I will now proceed to analyse your note para by para with a view to a helpful understanding. And, please Mr. Ganpuley, I shall be grateful if you would also point by point give me a specific reply to each part of my analysis. Only then it can be helpful to me and thereby to the whole set-up. I have serially marked paras of your letter and I am returning the same to you, so that you can connect up the analysis point by point.

Your para 1. This is an expression of your generalised judgment in a way you have interpreted the whole matter. After reading what follows, I shall be quite satisfied to hear from you whether you confirm your judgment or have reasons to modify the same.

Your para 2. (a) -- "You expect others to do the things keeping all controls in your hands". I am so astonished to note such erroneous sub-conscious impressions, which you also

repeated three or four times the other day, that I think there is need to honestly examine the position on both sides. You say I keep all controls in my hand. I shall be grateful if you would list at least a few of them. If I find there are some which are detrimental to the general working of the set-up, I will most definitely hand over that specific control. But unless I know what are the controls which I am keeping back, you will kindly concede that your criticism remains unhelpful. Therefore please think very deeply and state the same on paper as I think this is vital aspect of the policy.

Here is the position as I see it: we have three operating units - International Emporium, O.T.C. and Dugal Company. Let us take I.E.A. and O.T.C. first - There is not a single matter of control in my hand - all handling of finance trading, dealing with parties and Banks, correspondence, travelling, propaganda and staff has been left in the hands of top officials of I.E.A. and O.T.C. The same is true of Dugal Company. Please let me know if there is any executive control in my hands in any matter whatsoever. Thousands are being spent rightly or wrongly by my staff and I don't even question them or check the vouchers. My role has been to give general policies and how to do business, beyond that I let each individual unit, do what they like. My repeated disappointment is that either due to lack of initiative or lack of experience or poor mental adjustment and approach to work my staff has not been able to push through and give practical shape to the business policies. This is because I plaae so much trust on people - not only in their honesty but in their capacity and initiative. Here is, indeed where I stand guilty. It is my gross weakness of basic character that I place too much reliance and trust on people. And this really would be a sound and balanced criticism of my weak point in the organisation.

If the above is correct then to make a charge that all controls are in my hand is wholly out of relation to the facts. And if you are serious please do let me know what are the further controls which I should pass on.

About the telephone - I myself booked a call from ombay, then again twice from Dusseldorf and I was informed here is no reply. I even insisted that it can't be true, t is my office. Then again Mr. Dan Singh telephoned from amburg Airport with the same results. I am therefore unable o understand your remark, "I refuse to accept any complaint rom the Indian friends." Perhaps you can elaborate further.

requested that you should meet Mr. Shahani with/or without Messrs Frings. The very small initiative would have produced an effective appointment and you can now see the disappointment for me that a good opportunity has been lost - of making a direct contact with Director General of Ordinance Factory.

Your Para 4 - Like you I am also elated regarding Frings proposal. The progress in this matter, you should kindly appreciate, is not easy on the Indian side, particularly when this project falls under Public section. It is most astonishing for you to say that you never came near Frings or its project. My question to you is "Why did you not?" Did I stop you in any manner? It is a plain case on initiative on your side.

Your para 5 - Like you I also am anxious to develop substantial Indo-German business . However, I find that this is easier done than said. I have learned a lot of lessons in this regard and have been making positive changes in our trading policy. I have long ago informed you that you can-not expect enquiries from Bombay Office, even their involvement in Cashews should be treated as temporarily. I do not see the point of complaint in this regard. Certain things are good only in theory, in practice there are many handicaps and it is in my opinion not helpful to quarrel with the handicaps.

Your para 6 - I have explained to you verbally that it is not a correct business attitude on our side to criticize the Indian parties, whether they are friends or not for the lack of basic information and initiative on their part. This is a handicap we must always accept as a part of our business basis. No purpose is ever surved except hurting ourselves and also thereby hurting our Indian friends by levelling criticism against them on this matter. On the contrary I feel that it does a lot of damage to us as our psychology in the staff is badly affecte not only that, from our talks with Mr. Nasta you would have seen that these things directly create difficulties in our business.

I do not think it is a point of complaint against Mr. Garewel that he has tried several other parties before coming back to us. This is something we should be pleased about and not something which we should be annoyed with Mr. Garewel.

Once again I would say that the above analysis is to be taken in a constructive and helpful sense and it can be only helpful if you reply the above point by point personally. It is not necessary to write it, except you can make your own notes if necessary.

With kind regards,

Yours sincerely

P.S. About the restaurant also I would request

Your para 3 - You have mentioned that I carry all the main office files with me. This is not correct as the papers that I neef for India are the ones that go with me. Non of those papers are of any active use to this office. However, if this has caused any handicap to the work, a solution can be found that photo copies of the papers I take with me to India could be maintained in this office. The initiative of the indication of any handicap in this regard in my opinion should have come from you and the above suggestion would have been in operation long time ago. I do not believe that there has been any handicap in this matter sofar. However, I shall be grateful if you would kindly point out a specific instance.

You further state that very little of my talks, negotiations and commitments in writing is made known to you. This again in my opinion is wholly incorrect as it has been my practice that whenever I have any worthwhile discussion with any party I take the earliest opportunities of discussing the same with you in detail. Here again instead of making any generalized remark I shall be grateful if specific instances are cited.

It is not correct that you know very little about our understanding with Messrs Frings. All Frings papers are in any case in the office.

You say that you know nothing about Mr.Shahani. This again shows a certain oversight on your part as you would remember that on my return from India on my last visit I had discussed with you the Defence Department Requirements of 3 projects. We had written to Frings to give you quotations , I remember I had even asked you to suggest if any other party could also be approached.

Beyond that there is nothing more to know about Mr. Shah's visit. Everything is so perfectly clear from the copy of my letter to Messrs Frings.

Please try to see the matter from my point of view. On receipt of my letter , Messrs Frings twice or thrice contacted Brig. Patel who did not know the link between ourselves and Frings, and therefore apparently could not connect up and be more helpful in arranging an appointment. The objective of requesting you that you should keep a close liason was that in case Frings fail to make an appointment with Mr. Shahani you should help him in the matter. If you had telephoned to Mr. Patel direct, giving my name, the whole thing would have been satisfactorily arranged.. Further more I had particularly

for

It took me a lot of thinking and rethinking before I decided to write in reply to what you have written on the note that I put to you All my notes so far and even this one had only an informative character in form of suggestions or questions to inform myself of the progress or standstill in the objective of the company or to raise a feeble warning finger against bad investments.

I know that I have no right to censure your doings nor had the remotest idea of doing so as you have described it in your written reply this time. And if there was a censure it was from your side whereas mine was a defence. It was my defence not in my interest but on behalf of thos who cannot or dare not oppose you. They know that you are a good hearted man and even if you flare up at times unreasonably you calm down the next moment.

My note dated 4th September was also of 5 pages of informative nature with a question mark on about 12 items about which I wanted to know more. Now you only picked up the first page and commented on that, trying to place all the blame at my doors.

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1. Your telephone talk with me the other day and also your talks with others of the staff showed that you were in the mood of finding faults without any reason. It was rather unkind of you as a first reception. Let me tell you that the staff that you have got now is more interested in work, is more attached to the work, is particular about seeing the work done as economically as possible and wishes that we have more to do here that could help the prosperity of the company.

2. You expect others to do the things keeping all the controls in your hand and that is one of the reason why the Office telephone has not yet been fixed but kept in corridor, because Mr. Antonio w nted your decision. Your complaint that the telephone is not being attended to which has given an impression that the office is not functioning is wrong . There is no reason why those sitting here should not take up the telephone when the same is ringing. The office has been functioning as usual. We have not even closed it on the 15th of August. I refuse to accept any complaint from the Indian friends. There was no call from Bombay and the other day when you phoned from Dusseldorf Miss Spies was just then talking on Orient Apparatus with a customer and by the time she went to office apparatus the call was off only after ringing twice.

3 Your complaint about Hamburg office not attending to Mr. Shahani was not correct. You are treating Hamburg office so far my work is concerned as an appendage. You carry all the main office files with you. Only very little of your talks, negotiations and commitments in writing is made known to me and that too when I enquire about it. I know but very little about your understanding with Messrs Fringe. I knew nothing about Mr. Shahani, his mission, our understanding with him and our under standing with Messrs Fringe. With a few lines on the copy of the letter to Messrs Fringe you write that I should keep inclose touch with Messrs Fringe and meet Mr. Shahani when he comes to Dusseldorf together with Fringe or alone. When I am keeping in constant touch with Messrs Fringe and they tell me that they are following intsructions and are in touch with London for that sake, I do not understand what more you expected me to do.

4. When I first heard about Fringe proposal I was so much elated as according to my knowledge of things so many manufacturing projects could have been fitted in that main project of a steel furnace. But I never came nearer Fringe or his project and now you scold me for not having taken up independently with Mr. Shahani and that too with a man of Defence ministry without ~~with~~ any knowledge about him and the work.

5. I wanted todevelop a substantial Indo German business with offices working at two ends. During my 2 1/2 years stay here I have not received one single enquiry from Bombay that could materialise in business, either for buying or for selling. Even that one item Cashew which we want to build up, we have to work with handicaps.

6 You send us on wild goose chase for friends who either do not know or do not mean business and keep blaming your staff. Take for example Mica Powder. The first man who came here never showed his face again or wrote a line after he left this place. Then Mr. Varewal reverts to you after having tried other sources and now instead of asking him to send us the prices with which we could approach the buyers, you want us to obtain prices from the buyers. I have written to them two letters but without any reply.
Then you take into your head mica products manufacture and send us a man who has no interest in that ~~industy~~ industry because he does not know it and may be said to his credit that he frankly said that he is primarily interested in food product industry. Everyone wants to have things laid for them on the table for them to pack in their bags and run away to London.

Manioc Meal : New season will soon start. The brokers here inform me that parties like Shah are already offering or that five thousand tons have been released but we who are supposed to be representing Manioc meal for Germany have no idea of the Indian market conditions. We sent to you two or three market reports. State Trading letters ask only for market reports and statistics of imports of not only Manioc meal but of all the other fodder products, but not with a word they give us any news about the market conditions there or let us have offers for any other fodder material like ground nut and Copra cake which is asked for.

There was once a circular offer for thousand tons of Oils and oil cakes but as usual without prices and asking for offers from here. We have sent to the embassy in Bonn our idea of prices and since then everything is quiet.

I do not know what arrangements you have arrived at and what will be the future of this business. Thailand in-spite of bad supplies and late deliveries is again leading in the market and importers are covering themselves for supplies January onwards whereas our friends in India are quiet. There is just a cable offering 100 tons rosay quality for September shipment but again with the same old stunt of asking for offers and premiums for September shipment without giving us any price indication from their side. Ramanlal Shah is more alert, has established his name and quality which people here are ready to buy without seeing the sample whereas for any other offer from India they want to see the sample.

Coutinho Caro : One Mr. U Pochert is the new prokurist of the Technical Group. He is an active young man who was for years working for them in Africa. At present he is on far East tour. He told me that CCC will be prepared to consider business on deferred payment basis as like the Aluminium Foil done with Habag. Further they will be interested as before in Barter business . If you have any proposals he will be glad to discuss

Government of India is keen upon selling sugar as per information received from Consulate General here. Messrs Coutinho Caro asked for more particulars which I have asked Mr. Kamtekar to obtain.

Cashew : Kindly settle once for all and clear terms all the outstandings accounts with Mr. Bertram and the future of Cashew sales. It is sure to make a steady progress. Now that Messrs Bertram are thinking of packing the same on their machines new packing will have to be made . The type of packing has been once decided and one should keep to it.

Take the decision if Messrs International can act as sole selling agents for Hamburg and surroundings. I am sure International will be able to do better But this thing has to be settled in very clear terms and properly so that once it begins to function there should be no change. Las time when we did it for Orient some difficulties cropped in about the propaganda costs etc which are still pending for settlement.

Mr Keshavan our Counsul in Paris was here- He told me that there are good prospects of selling Cashew in Paris. He is going to introduce us to a good wholesaler and thinks that a good deal can be done there as Paris pays higher prices for their food stuffs than in Germany.

I should therefore propose that on the new packing that is to be made we can also print something in French in order to introduce our packing easily without greater changes.

The sale of Raw Cashews has slowed down a bit per-haps due to others expecting their goods which they have ordered when the prices were low. Even then that process is going on and we may be able to build up provided our Indian purchases are arranged differently. Purchases have to be made from the cheapest and on the spot just as the Gujrathis do. We cannot always depend on the large processors , often smaller sitting on their lots are better. But in that case to be sure about the quality etc our man must take the spot delivery and attend to the packing. If we are not able to do that then we shall not be able to control the market

here. Messrs International Emporium have made themselves known as firsthand dealers and stockists of Cashew nuts in the continental market and receive enquiries from other countries. Hoever we shall have to convince them that we are really better placed than others we must have better information of the market and also better prices than the brokers here. It is worthwhile concentrating on the line that we have been building more intensively.

Cashew Delegation : As this delegation was going to come here in your absence I had prepared for them a note a copy of which I had sent to you which you did not acknowledge. It seems that this delegation st is likely to come. Mr Kamtekar wanted to know if you can meet them in Brüssels. He has now written to the office in Delhi asking the delegation to fix up a date with you to meet at Brussels.
If with the help of Mr. Lall Cashew sales could be properly channeled through our organisation I think we can promise a substantial rise in the turnover.

Iam thinking of going to India this year sometimes by the middle of November, when I shall meet the processors in Quillon and other area Even Goa producers should be contacted. Perhaps it may interest you to know that the first well organised Cashew exports to America started fromGoa.

I think we have dissipated our energies a lot and you have wasted enough of your good money by now, by doing things on trust. I see that I have been correct in my estimations about many things but instead of ~~giving~~ giving proper consideration to my suggestions you have tried to force yours upon me. Even now in case of this Restaurant you are throwing good money out of the window for not planing properly. The way you are moving and getting things done and your friends in India are cooperating with you I doubt if we can start by December and then too the business will start with an heavy load of DM 400.000 on its head. Even when Mr Antonio wrote to you in some details, I only wrote a small covering letter requesting you to get atleast all the Indian things meant for this placed shipped. I wonder if you have cared to take account of my letter.

We can develop Hamburg office immediately we centralise the activities and get rid of the heavy burden of overheads with which you have started the organisation, but even to do that we must have a proper home organisation and support

Therefore the days you are here I should like you to sit with all at the table and work out a proper plan of combining the present and industrial activities in a manner that would yield immediate results. I think I have some experience of the trade and industry to my credit and it will not be to your disadvantage, if you will give some consideration to that.

Hamburg 4th Sept 62

/ Gampu

The actual present position of the following projects in view of Government licence and sanctions, company formation and the possible implementation of the same :

1	Phönix Rhein rohr Düsseldorf	1. Tor-Steel project 2 Consultation Office
2	Steinbichler (Telepole)	What further steps have been taken after the industrial licence has been obtained and in which form the foreign exchange necessary will be met and what time it will taken to implement the project and which will be the place of manufacture.
3	Kasper and Co (watches)	They are anxiously awaiting the results of your negotiations in India.
4	Memmert (Incubators Sterlisers etc)	
5	Schatt Taps and valves	Dr Ruschel would like to know if the posposed project can be materialised Without that the bath room fittings manufacture will be of no interest for them
6	Karcher Bolts and Nuts	Project report is ready but Mrs Karcher will not like to forward it without the covering letter from Mr. Biser who is on leave and is expected back this week
7	Hischenborn Tools, sheetmetal scissors Motor parts Forging	Awaiting to hear from you about your decision to manufacture their program
8	Schwanhauser : (Ball point pen)	They have enquired about some details. Further Schwanhäuser and smaller manufacturers like that think that your being engaged in larger projects you cannot pay attention to their schemes.
9	Schröder Woodworking machinery)	Are awaiting to hear the results of your negotiation and future prospects.

Mr. Handa and his enquiries

1	Hofmann and Schwabe	in connection with Aluminium foil manufacture
2	Stollberger Maschinen Fabrik	Alumnium Conductor
3	Railway and automobile springs	Siemmsen and Co
4	Cement Asbestos pipe	Coutinno Caro

Further collboration proposals received from Dr Reichel and Dr Seifriz

1 Refrigerators from Messrs Bauknecht Stuttgart a first class manufacturer of many other electriaal household apparatus

2 Assman for Dictating machine

3 Hirschmann for Radio and T V Aerials

4 Sartorius for Analytical and precision balances a world known firm

5 Heinkel Werke for Motor Scooters

There are a few others as a result of Dr Reichel writing to those manufacturers who attended the lecture of Dr Duckwitz the German Ambassador in Delhi.

Industrial schemes and Market survey : Every industrial scheme small or large needs a thorough market survey even when anyone thinks of an industry on his own but more so when we invite foreign collaboration. Getting industrial licence and sitting on it has become an order of the day. Asking to make out projects without any details or asking for collaboration without a market survey is something very novel with India investors. All the projects made without the basic information are wrong and misleading. To ask for collaboration without making proper market survey does not only show our ignorance but to some extent our snobbery. Whenever I asked Mr. Handa or anyone of our Indian friends to take the trouble of making a complete market survey, I was snubbed and considered to be a fool. It is a different thing to run an industry by protection and exploiting the public and it is quite another to build up an industry which can stand competition and and give the consumer his money's worth.
So far I came accross only one party who has done a good job of market survey and that party is Mrs Morarjee. You discouraged by doing anything for her neither did you go and meet her. Immediately she got the industrial licence she produced the market report necessary to invite collaboration You can see the same and I wish that others also take that much trouble before they ask us to approach manufacturers here for collaboration.
This was the type of market survey Mr. Terpen expected from Mr. Handa and the information supplied to me so far,which I forwarded to Mr. Terpen is meaningless rubbish.

This is the minimum that one can expect from the party in India wanting to start an industry that a complete market survey is made. It is not only ignorant but snobbish as I said above,to say that I have so many crores to spend and wants to suggest an industry and also pay for the machinery. Please therefore let us not be a party to such enquiries as they will lead us no where.
That is why I requested you to bring with you all the particulars in form of a market survey for a collaboration for Water Meters.

Your telephone talk with me the other day and also your talks with others of the staff showed that you were in the mood of finding faults without any reason. It was rather unkind of you as a first reception. Let me tell you that the staff that you have got now is more interested in work, is more attached to the work, is particular about seeing the work done as economically as possible and wishes that we have more to do here that could help the prosperity of the company.

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If with the help of Mr. Lall Cashew sales could be properly channeled through our organisation I think we can promise a substantial rise in the turnover.

Iam thinking of going to India this year sometimes by the middle of November, when I shall meet the processors in Quilion and otner area Even Goa producers should be contacted. Perhaps it may interest you to know that the first well organised Cashew exports to America started fromGoa.

I think we have dissipated our energies a lot and you have wasted enough of your good money by now by doing things on trust. I see that I have been correct in my estimations about many things but instead of ~~giving~~ giving proper consideration to my suggestions you have tried to force yours upon me. Even now in case of this Restaurant you are throwing good money out of the window for not planning properly. The way you are moving and getting things done and your friends in India are cooperating with you I doubt if we can start by December and then too the business will start with an heavy load of DM 400.000 on its head. Even when Mr Antonio wrote to you in some details, I only wrote a small covering letter requesting you to get atleast all the Indian things meant for this place shipped. I wonder if you have cared to take account of my letter.

We can develop Hamburg office immediately we centralise the activities and get rid of the heavy burden of overheads with which you have started the organisation, but even to do that we must have a proper home organisation and support

Therefore the days you are here I should like you to sit with all at the table and work out a proper plan of combining the present and industrial activities in a manner that would yield immediate results. I think I have some experience of the trade and industry to my credit and it will not be to your disadvantage if you will give some consideration to that.

Hamburg 4th Sept 62

__Jewellery__

After my return from Heilbronn I have given to you a short account of my visit to the place and particularly about my talks with Mrs Stotz who is a reliable person in that line.
I have also written in that report that I saw on my way to her two shops dealing in such types of stones. One is just near the station and the other in the city. Looking to their Window display which was so very facinating that I could not dare enter those places with the types of samples I was carrying with me. They would have simply laughed at me and asked me politely to go.
Mrs Stotz was ateast good enough to see my collection and atleast to give it a trial. She also gave me some advise on the subject. Out of the 29 items in my packet 15 pieces were quite unfit for this market However she kept 4 as Souvenirs for herself and returned back 6 pieces as quite impossible things for this place. The other 5 out of the 15 she retained with her to see if she could ~~utili~~ utilise them in some way. According to her the remaining 13 pieces may find market and advised to improve upon them with a better cut and shine. In case of moon stones she said that one should choose as far as possible with bluish tinge and and all the stones should not be high but little more flat. I think her advise was valuable. Beedies as they were made up looked very unattractive

I gave her the lot on trial increasing our price by 75% She promised to do her best. When I phoned her some days back she told me that she may be able to dispose it off. In that lot there were about 6 or 7 better priced pieces which would find better market if they are little bigger and with a better shine. I expect to hear from her in these days with the proceedings of the sale.

If you think that this arrangement was not good enough or this information was not sufficient for the time, kindly pass on the work to some one else who can do it better as I do not think I am fit to attend to jobs of this type.

9th Oct 62

N Ganpaley

Re jewellery : I visited Mrs Stotz at Heilbronn on Friday and once again. She was not very happy to see the collection I had with me and was very reluctant to interest herself with the same. In her opinion it was a very poor quality material,not properly cut and therefore without necessary luster. In the first place she said that she does not deal in material like that and have not got the customers for that except for one or two types like Ruby, Emerald but these were small pieces of 1 or 2 Carat

She is interested as before in good quality stones for which she promises good values and was very much disappointed our not having done anything in that line She is again planning to leave for India with a group of her Jeweller friends sometimes in January I had to tell her that when you next go to India you will attend to this. This time you have brought with you these samples only to see if such things could also find the market.

It needed lot of coaxing and praising her before she agreed to try for the few things I had with me but this was not to be on the basis of 5% commission as it was not worth her trouble. She insisted on my giving to her some idea of the price as except for three or four items the rest was not inher line Moreover far superior material is available in that area about which I could convince myself looking at a few shop Windows on my way to her.
I worked up the prices putting them up by 50% and told her that those were the prices at which we get these and she can sell them adding 20% as our profit.
She will try and let us know the reaction of the market and her own views
She gave to me a few of her catalogues which she prints to show what kind of jewellery she needs for her clients and will very much appreciate it we could get for better stones and jewellery.
It will be worthwhile doing something in this line as it fetches good returns

Future Import Policy

Afterhaving gained some costly experience about the imports of various items, we have now come to a stage when we are required to concentrate our efforts only on few lines and those too on the exclusive basis from reliable sources of supply. Even in the choice of these lines we should try to select such items as would go together so as to minimise the overheads and make the selling procedure easier.

Cashew

The first item that we have on our list has been Cashew nuts. We have gained sufficient experience in marketing both raw as well as processed nuts. As regards processed nuts we now know for certain that on the basis of sh 380/ per cwt for 240 Count quality, the business is profitable even when our present processing costs are dearer. If we are able to get cheaper supplies than sh 380/- and when we bring down the cost of processing and packing as we intend to do now this business with increasing turn over will bring satisfactory returns. We have already discussed and decided on the future procedure of purchasing of Raw Cashews on the basis of daily ruling prices, which should put us in a position to compete in this market with local brokers or importers. We have also decided about the selling organisation to be set up for processed Cashew.

We should now try to get such articles as would fit in Rhis selling set up which we have for Cashew nuts. Accordingly we have taken up wallnuts and have sold some quantities this year. It is now to be seen if our Indian Shippers are successful in shipping right qualities and their shipments arrive here in correct time. This business is limited to few months and is ittle difficult because our line of supply is too long and dependent on the availdbility of timely shipping facilities. The Italian and French competition is favourably placed; and therefore wallnuts business which we can only do on commission basis cannot be considered as continual and a very lucrative one. However the same can be followed up as it needs very little extra overheads.

We are further considering to develop the mango products line offered by Bengal Government mango Processing Industry.

Ground nuts: This could be one more line that will fit in nicely with our processed Cashew Selling organisation. If as you have envisaged it STC cooperates with us it will be of great benefit both to us and to STC.

There is a well developped market for this article. Naturally this also means severe competition which can be met successfully if we get our own supplies from home and we ourselves do the packing and processing. The sales organisation being the same as cashew it will also help us in boosting up the Cashew sales side by side with Pea nut.

Grams could be another item in this catagory worth trying. It can become a cheaper item than even Pea Nuts and I have no doubt that it will be appreciated by the public if properly presented. For this there must be a proper sellection of Gram in India that should be roasted salted and packed here just like peanuts.

We must only pick up items that are ~~xq~~ ayailable in large quantities and the business is not limited to a particular season either in India or here.

We have found by experience now that Wall nut cannot be a profitable and runn ing business. It has very short seasonal margin for shipments from India and arrival here. It is very likely that even the small quantity that has been booked will not come here in time and it will cost more or telephones and cables than our earnings.

All said and done I should like to stick to the item Cashew and develop its sale first in Germany before we venture in other markets. That does not mean that we should not try other markets but a greater stress should be put on German market which is showing good signs of success.

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We must only pick up items that are always available in large quantities and the business is not limited to a particular season either in India or here.

We have found by exporience now that Gill nut cannot be a profitable and running business. It has very short seasonal margin for sailings from India and arrival here. It is very likely that even the small quantity that has been booked will not come here in time and it will cost more on telephones and cables than our earnings.

All said and done I should like to stick to the item Cashew and develop its sale first in Germany before we venture in other markets. That does not mean that we should not try other markets but a greater stress should be put on the main market which is showing good signs of success.

7th Oct 1962

Re letter of Mr Bertram dated 3rd November :

No.1 It is agreed that all the stock expenses for 10 tons should go to com on account from the very begining

N.2 Selling of raw cashews will be done on the basis of ruli g market prices. Whereas the price for roasting and salting for our purpose will be at the ~~x~~rate of Sh 380/-

No.3 It ~~is~~ was a coincidence that there were floods and that the port and our stocks were affected to some extent.
When one insures one expects that the Insurance companies take all the precautions of covering the losses on any account. Often the insurance companies are not very particular and that is why one chooses such a company that takes greater care and hence we had decided to Insurance all our things with Messrs Bertrams Insurance company, for which we have to pay premiums regularly. If any loss or damage takes place the insurance company tries to get for the client every benefit that is possible but in no case Insurance company is the beneficiary if such losses are made good
We have been continuously paying large amounts to cover the insurance and had there been no accident or floods or theft we would have only paid witnout any returns. Moreover the money that will be credited to our account is for the actual amount that we have paid for the goods and perhaps something more as risk. So that taking a share from that will mean acutaly taking our money which we have advanced for the goods.

No.4 We shall not need 8 months as are sure to sell the stock as raw cashews in the next few months. We have already sold 100 cases from which we have taken delivery of 30 and rest we are going to take over in December.
However we must point out here that even while selling out the stock the attitude of your department was not very friendly and accomodating. They insisted on payment before even the delivery order was issued.
When you sell to other parties you wait for payment for 8 or 15 days but from us you wanted payment before issuing a delievry order. This was not fair and not at all in the sp-irit of a joint venture.

We have can even solve that problem by taking over 20 tons from out of the 30 tons that you are having ~~stock~~ in stock today and keep ~~ew~~ with you only 10 tons.

Edeka It took us months to convince you and pursuade you to agree to Edeka proposals. You were always of opinion that EDEKA are bad pay masters and even let us down. Then you were afraid that they will ~~spint-~~ spoil our relations with Karstadt and spoil the prices. You did not want to print for them the bags, which we did at our risk

We have nothing to say about all your efforts regarding Karstadt It is a different thing if Karstadt did not come ~~to~~ up to our expectations. You have seen for yourself that because of your honestly keeping to your promise to Karstadt, we have been kept behind in our progress

The propaganda made through Messrs Wehrstedt and sprung was a common venture. We agree that it was prefinanced by W & S but the expenses were to be divided ultimately and so it cannot be called as one sided profit and loss account, whereas the large investments on Cashew was only one sided in which we alone lost These losses would have been much less if our selling organisation under W & S would have functioned better.

You have seen for yourself that all the agents (alomostall) of Messrs W & S on whom you have relied and to whom you have continuously written and fed with samples and pamphlets have been a failure. Even after starting the prpaganda action by sending out Mhta and other to various centres your agents have not taken any active interest in its sales and that is why the stocks of raw cashews kept on piling

OTC would have succeeded but it did not get any support rom ~~you~~ the side of W & S. It was treated as a competing organisation OTC was asked to pay for propaganda material, They were not given prtection for the clients they get in Hamburg. All the bags having the ~~name~~ of W & S the recurring orders went to W & S for which W & S was not prepared to give any benefit to OTC. They wre were given only the prices of Grossists and nothing more. Under these circumstances it was not possible for OTC to work intensively.

Dr Reichel could not sell in Stuttgart be asue your agent in that area had sold some quantities on Messrs Nanz who marketed the cashews at-- & DM 0.85 to the consumer. Dr Reichel could not possibly offer our packing to retailer to sell at DM 1.-- when Nanz was selling there at DM .85

Dr Reichel introduced our products to one or two good agents who promised to organise the sales provided they were also allowed to sell to consumer at DM 0.85. It was at that hat we were thinking of starting with a 50 gr packing

s regards OTC Even the EDEKA business which we find quite good oday was the work of OTC in those days. They could not proce ed ith that make like proposal to others as from the very begining t was stamped as unpracticable.

R°

In Disseldorf I could meet Mr. Somani only in the evening for a short time as he arrived a day later than sheduled.

Next day I met him together with Mr. Schwabe and Engineer Lantsch. He only enquired if messrs Hofmann and Schwabe attanded to all the details asked for by Mr. Choudari the works manager.

As regards prices he said that we were by about 20% higher than the Competitor Messrs Jagenbergwerke. However he had not taken into consideration that we have offered a larger production machine as per request of the Works Manager.

There is no question of deferred payment or the like as the same is not allowed by the Government. The Hofmann and Schwabe unit forms an integral part of a 10 cror scheme in which American capital is going to participate by 25% and that will be the source of payment for purchase in Germany. Mr. Somani has gone to America to finalise this and hope to be able to decide about Hofmann and Schwabe machines sometimes in January/February next year.

I then called on Mr. Linde with whom I had a long talk

I wanted to meet Mr. Bassenberger of Frings but he was not in Dusseldorf.

I then met Dr Munck of Handelsblatt and asked him to meet you in Breidenbachernof. He is very much attached to India and writes a good deal on the Industrial development and Trade in which that paper is particularly interested. His book on Indian Economical growth is very good. He is going to India again sometime in January as he wants another book on the same subject.

What I gathered from Mr. Somani is that there is likelihood of finding finance in America, where he and others like him are always going.
I should like you to think about your connection with someone from the world Bank to finalise projects if they be hanging fire for the want of foreign exchange.

In Zürich I met my old friend Dr Abt. He is a advocate and very well known in Industrial and finance circles. He can negotiate industrial projects and can be of help.
He has firstclass connections with Volkswagen group of people having negotiated some partial manufacturing licences for some parts of this car to several countries.
You know that sometimes back Mr. Handa had written about the small care and deliver wagon scheme in which their group is interested If the proposal is serious Dr Abt can do a great deal the same with Porche tractors. He is a personal friend and adviser to Mr. Porsche.

I should like you to meet him at Zürich when you are there next As he is very often out of Zürich the appointment will have to be fixed beforehand.

23rd Oct. 1962

Proposed draft of letter to be Bertram 121 26.10.62.

Eventhough the sale of roasted an salted Cashew has picked up a little it stands in no comparaison with the money invested on it and the work we have done for it.

You yourself admit that the turnover is not at all satisfactory and we are both interested in finding out ways and means of stepping up the sales

With the propaganda in various exhibitions, in Karstadt houses and other places made by, we have been instrumental in creating taste and liking for this article, but we see that now other packers are taking advantage of the work that we have done, of the money and energy we have spent in propagating this item.

Things would have been different if Cashew would have been a monopoly product of ours, we could have in that case waited to reap the benefit of our propaganda in slow process and satisfied ourselves if it would have shown even small but steady progress, as our cashew sales are showing. Today

You have always said that each propaganda must be accompanied by equivalent availability of our article in each shop but our efforts in that direction have been very poor so far.

For Wehrstedt and Sprung it is only a side line and moreover they have always stood on the profit side of the business but not on the other side where losses have been incurred.

Whrstedt and Sprung can therefore wait and be satisfied with even small progress but you will admit that this cannot satisfy us.

You have seen for yourself that for some reason or the other we have lost heavily on this and it is but natural that we like to force up the sales in order to make good atleast a part of our losses by taking advantage of the propaganda that we- both of us have made to popularise this article.

Any other party in our place would have closed down the business but we neither want to close down, nor to disassociate ourselves with you out want to continue in cooperation with you, but with an intensive drive.

You have seen for yourself that ~~all-ye~~ almost all your agents had not been active and have taken but little interest in selling Cashew. You have written to them several times but their reaction was negative. You have admitted that after all the propaganda in Karstadt except for a few Karstadt houses the turnover is very poor. After about 21 months of tiresome work we have come to an average of 2 to 2500 bags per week which is little more than half a ton per month.

Had you been satisfied with this turnover if Whrstedt and Sprung were to deal in this

When we came forward with a proposal of forming two zones, it was not with an intention of creating a parallel and competing organisation but a complimentary selling organisation to the one which you have already got.

~~Afterall~~ we have long suggested the packing of 50 gr to which you once agreed but reverted back to the same old packing because Karstadt wantdd to remain by that. As a matter of selling 60 gr at ~~90-~~ DM 0.90 or selling 50 gr at 75 is one and the same thing. The earnings of the Karstadt do not go ~~g~~ down by that but psychologicaly sales increase as we have seen from the example of EDEKA.

Things would have been different if we were to raise the prices By bringing down the ~~price-~~ selling price we only help the sales and hence there should be no objection from Karstadt.

The idea of creating a zone was with a result not to interfere with your existing sales here

We have no objection in selling only under Wennstedt and sprung ~~but-then-~~ provided a separate and independent department for Cashew is created

~~We~~ should not be tied down ~~the~~ to the existing sales agents of W & Sp [illegible]

We decide to bring ~~for-all~~ out only one 50 Gr. Packing atonce and sell only until such time the packing is ready the existing 60 gr Even after-wards 60 gr ~~a~~ can be sold side by side as it makes no difference in as much as one demands more price for more weight.

We shall put from our side one man on the selling side ~~toher~~ together with your salaries and expenses for the two and the staff attached to be paid from Cashew account

~~both-of the-heads--main~~ Both the heads of the department have to be active on the selling side

From the statement supplied we see that ~~xx~~ except Karstadt organisatio there are only about 2o others who reguarly / from Wehrstedt and Sprung. Our aim should be to increase the number of these regular buyers

We should find out or interest more parties like EDEKA or even have a neutral packing ... This is only if a responsible organisation guarantees a turnover and refuses to purchases articles under our name However as far as possible this should not be encouraged in as much as we shall be bringing out our own packing with standard 50 gr With the 50 gr packing, we can also start packing 320 counts atonce instead of 240 320 and we undertake to dispose off the 24o count stock ~~in~~ within next 3 - 4 months.

by hr: Gumpulez

1 Mr. Steinbichler Phoned to inform that he is going to meet Mr Bauer of Gelsenkirchen on coming Friday. However before meeting him he would have liked to have a talk with you on the point :

1 Mr. Bauers investment in the undertaking
2 Mr. Bauers share in the undertaking.

Mr. Steinbichler says that I have faith in you and that is why I have agreed to work with you on the terms and conditions which I would not have accepted for any one else. That is why according to him yourself and Mr Steinbichler should be equal shareholders in the undertaking and if Mr. Bauer wants to be an equal partner his investments should not be less than DM 200.000

2 Mr. Mukerji of Teas Board is coming to Dusseldorf on the 5th of July He stays in Hotel Breidenbacherhof and leaves for Brussels on the 7th

3 Mr von Bernstorff left for India today 2nd of July at the request of Printers House.
When I phoned to Hofmann and Schwabe I was told that he had also phoned there and told them that a day previous he was at Zurich to meet Mr Basu who has since come back and he is flying to India because there some other manufacturers are stepped in as competitors.
I have therefore told Messrs H & S that their prices are not in any way out of proportion to those suggested in the pro-forma order letter of Messrs General Industrial dated 1st May.

4 If you cannot meet Mr. Bertram atleast phone and tell him as to when you can meet to settle all the matters.

5 Mr. Cromer Kindly meet him also and see what are his claims

6 Mr. Basu phoned from Basel on the 2nd morning at about 11 A.M. informing that he has a draft with some amendments between GISL and DUGAL Agreement which he will be mailing to us today and if we approve of it we should send to GISL a cable to that effect.
He thinks that from his side everything has been settled
He will be in Basel. His Phone is Basel 39 77 12.

I have asked Kent send the same offer.

Hofmann and Schwabe phoned to inform that one MARCO BERTOLD had cabled to them asking to quote almost for the same kind of finishing machines as are offered to Messrs GISL. Hofman and Schwabe are skeptic about the enquiry and would like to trace if possible the Indian source from which the enquiry is broadcast, and how they should deal with it.

8 Mr. Basu has sent the Draft as stated in Mr. Handa's Cable , which can be accepted as it is. It is immaterial for you from whom they purchase the machinery so long you ramain in the picture. Naturaly you will be for selling Hofmann and Schwabe which should not be difficult.

You can take guarantee so far the performance of the machineries supplied is concerned but you can under no circumstances take production guarantee with a clause of penalty. Machines while running can be put out of gear by loosending a few screws or putting a valve out of order and the first class works engineers will not be able to deliver the goods.
Please therefore dont compel the manufacturers nor take it upon your head the production guarantee.

IPANY

124

9th May 63

Some points for discussion :

1 How does we stand with Phoenix Rheinrohr ? Are they coming out to Delni that is sending out their engineer at their own cost to follow the Indian enquiries and demand in various sector.

2 India House Dusseldorf and the printing of brochure etc -

3 Telepole. The original or copy of contract with Steinbichler wanted by Delni office for Registration purposes who are going hands with you ? Contract

4 Have you talked with anyone regarding the Workshop at Faridabad I should like to manufacture there such articles, which need some technical knowledge and skill which switches off the unhealthy competition

A) You know we had been once to a manufacturer of hydraulic and air brakes for busses and trucks who wants to consider the proposal As this line of industry is being developped in India for which Mr. Kuehnel has also come there, we may consider it

B) You told me that Mr. Prinz manufactures machine tools. With his experience we can take manufacture of some machine tool as a speciality You should make use of a man of that type who was agreeable to come

C) As it was a constructional workshop manipulating angle iron and trusses, we can as well take up the programme of manufacturing slotted angle , T and I iron for as manufactured by Messrs Boesch for which Mr. Schweins is working.

These are only a few of my suggestions to which others can be added such as the manufacture of ribbed tubes required for heating and cooling purposes. It is a very simple process. It is the same manufacturer in Wuppertal who makes the tubes from strip material.
Then there is the possibility of manufacturing Precismeca Rollers for transport system

5 The Porsche Diesel Tractor. This party was formed recently a company with Linnemann and Renault. Wonder if they are still interested in Indian programme. I have asked Mr Melborn to enquire.

6 Bauer Gelsenkirchen

7 Mr. Schöttle of Misonenborn and Co will be leaving for India on the 10th. I had called him here and had a talk with him. It seems that he was going to Delhi to meet a party which must be dealers in automobile accessories introduced by Messrs von Hermann of this place dealers in automobile accessories.
His main object is to find a suitable partner to manufacture automobile accessories. He will meet there Mr. Mehrotra in Bombay. I have given to him some other introductions. He will naturaly meet Mr. Keskar in our office. After his return he will discuss with me the whole scheme. I have asked him to go and see our place in Faridabad.

8 Schwannhauser . Could he contact you in London ? He wanted to meet you

9 Rourkela office Dusseldorf ?

10 Messrs Coutinho Caro and their deal in Ghana. If they will be only processing the clot , we should try to ~~get a--an~~ come to some arrangement for the supply of grey cloth which will be bleached, printed ~~---~~ sized.

Mr. Manubhai Shah is coming here on the 25th of this month and will like to meet you
We have to inform Consul generals office when you are ~~avialble~~ available on that day. It is Saturday.
On what lines you want to talk
What we can sell ?
What incentive we expect
What are the possibilities.
What previous preparations you would like to make for this talk.

Cashew : We have to meet Bertram and take final decision regarding the sales organisation under our control

Raw Cashew sales.

As you are planning to go to America you will kindly contact General Foods Corporation Inc Hundson street New Yark 13
This address has been given by Janardan Pillai as firm who has on the market a small roasting and salting machine which can be placed in a big departmental store.
Try to come to some arrangement with them for a collaboration in Continental market.
Not only in Germany but more in the Scandinavian countries we should like to palce these machines
If this is an important corporation we shall be able to organise the sale of other Indian products for which a packing machinery can be set up here
The America Agent of Janardan Pillai for Casnew is one Mr Frank Graus and Co 100 Hudson street New York 13

Casnew Liquor could be good article which can be pushed with our Cashew I found when in Goa that this was manufactured there locaiy and sold at Rs 2 a bottle. Its tuff is good. I brought with me to Bangalore small sample bottle and gave it to My friend Mr Rothkegel and Dr. Bauer when they came to My place. They found it very good and finished the small Pint bottle Manubhai Shah should support the export of this which will be a new item.
The import duty on this is DM 3/8 for 100 Ltr 4% tax and DM 1100 per hectolitr of alkohol contents which is negligible.
Japanese are selling their Ricewein or Saki

Exports of cast Iron a. 12 C

After studying carefully the import Statistics of Germany I found that there are but very few articles made only in Grey casting which Germany imports in large quantities or is likely to import. Items made only in cast iron which are in regular demand are very few such as, Soil pipes, Soil Pipe fittings, Bath tubs Radiators, some kind of sanitary ware which are enamelled afterwards. The manufacture of the above named articles is not labour intensive and consequently cheaper in production. Moreover the articles mentioned above are very uneconomical for seafreight, for handling and will scarcely make a competitive and paying proposition atleast in countries where these things are manufactured, when one adds to it the import duty and other costs.

There are other articles made only in Grey casting like sewage manhole covers, water hydrantboxes, Electricity and gas distributing requirements, which are either controlled by City Municipal corporations or by the various supply corporations. Their demand varies from time to time and is generally met locally by tender.

However, the most important, where grey casting plays a decisive role is as a supplier of basic material for the manufacture of the whole of the machine Industry beginning from the smallest eyeletting machine or button press, to huge engines, generators, presses or in short all the machines. The value of the Grey casting varies according to the use it is put to. There will be an appreciable difference, in the value of the grey casting manufactured, for example, as a water hydrant box or Soil Pipe and the casting for the body of automobile Pump or costly automatic machines of Generators etc.

If therefore, we desire to export and become a potential supplier of grey casting, which we should do in preference to export of iron ore or ingots, to the industrialised West of even to other countries which have not got the necessary resources and those which are just beginning to develop their industries, the same can be in the form of an integral part of the machine industry. And to achieve this we shall have to follow the methods of the European foundries.

The whole of the machine Industry opens a huge field of operation but even in that we shall have to choose articles of a general nature. Specialised machinery and equipment manufacturers will not be the buyers of our casting. Export of castings to industrialised countries

is possible only in such lines where grey casting is a component of articles manufactured in large series. There is quite a large number of them and therefore in order to find out the right types of articles which could be manufactured by us advantageously and also to meet the right type of manufacturers who would be interested in cooperating with us, with a view to help their own manufacturing programme as regards price and production, the proper way, in my opinion, would be as suggested below:

In order to interest the likely collaborator and with a view to convince him of our ability to deliver the goods the only possible and correct approach is by showing to him what we can manufacture.

For this purpose we must have at home well equipped foundries and well equipped model or pattern making workshops, capable of manufacturing all kinds of patterns and supplying the castings of different specifications according to the requirements of the party which will be ready to cooperate in foreign countries.

Only if we are cent percent sure of faultless and proper and timely supplies, the next things that we shall have to do is to manufacture samples of a few items, say in five or six different sizes of such articles that are generally manufactured in large series. I name here only a few for example:

1 Electrical motors, Converters, transformers bodies only
2 Valve bodies
3 Electrical switch boxes
4 Pump bodies from small hand pumps to centrifugal pumps
5 Casting boxes
   a) There will be about 50 pieces when made in different sizes with some cross section samples to show the flawless casting.
   b) We must have prices worked out on piece basis for smaller articles and on Kg basis for larger articles and larger series for delivery CIF European port.
   c) We must have a correct ideaof our capacity to manufacture and supply.

With these details properly worked out, we should come out and place our products in a few international fairs like Hannover, as a general rule, these fairs are visited by all the important small and large manufacturers of machinery of every kind in the country either to exhibit their products, or to see the improvements or any new things in the line, or to purchase for their own works, not only from Germany

but from almost all the countries in the world.
And here at this place we shall be able to get the exact idea of what is wanted. We shall meet those interested in our exhibits. We shall know what else we can do and so on. Only by this method we shall get the right value for our Cast iron or Grey casting.
The work suggested above is in no way an extra or a special work. There might be foundries doing it already to meet the needs of the indegenous industries. In the event of absence of such specialised foundries the country will have to organise the same in order to rationalise the production in our industry for the articles mentioned above which are already in a growing demand in the country.

Hamburg, 12th December 1963

N. Ganpuley

In the second Five-Years-Plan the important aims in view for organisation of Village- and Small Scale Industries are
(I) to avoid as far as possible technological unemployment as occurs specially in traditional Village Industries,
(II) to provide increasing employment through different Village- and Small Scale Industries and
(III) to provide basis for a decentralized society to develop progressive regional economics at rapid rate.

To achieve the above objectives it needs (I) improvement of present technical matters of productions (II) adaption of better technical means of production to keep space with advancement of technic and maintain competitive position of Small Scale and Village Industries.

For the purpose monetary allocation is provided by the Planning Commission on very generous basis to help the above developments in every phase of its activity, namely equipment, purchase, purchases of raw materials, marketing of finished products, research and training, organisation facilities etc. The programme of development is recommended by Planning Commission to work on district and local plans.

The above mentioned objective is therefore to be a "pyramid" of industry broad based on a progressive rural economy to achieve our national socialistic pattern of economy with ample scope for free enterprise in field of industrial and productive activities.
The pattern which we aspire to evolve appears to have been achieved to a great extent by this province of Wurttemberg, where handicraft, small scale, medium scale and large scale activities have been well blended into harmonized working and maintained in balance during the progressive industrial development of whole German economy, which has undergone unbelievable progress during the period of rehabilitation after this war, as free enterprise competitive economy.

The Landesgewerbeamt of Wurttemberg appeared to be a unique organisation with traditions of many generations, and having evolved singular experiences in the manyfold activity of industrial and commercial economy such as raw material production,

marketing, research, training institutions, exhibitions, technic, design, finance etc. it can help India at its present moment of national development in many ways and several phases of Indian expanding economy.

In the field of Indian handicrafts all kinds of basic crafts are in hereditary practice, mostly crafts such as pottery, glass, ceramics, weaving, carpenter, forging, tanner and leather-goods making, bricks making, builders, metal workers, gold and silver smiths etc.

To better the standard of living of this traditional craftsmen in India, the following programme is essential:

1) Improvement in the technic of production
2) Improvements in the existing equipments
3) Progressive training.

The above approach can be divided into two ways:
1) Immediate plan for craftsmen already engaged in their respective trade for improvements of technic and matters of production, to expand their scope for the products and
2) a longterm plan to train young artists methodically through training programmes in technological institutes.

The above considerations of the training programmes also apply for improvements in technic of small and medium scale industries which use power and engage large numbers of workers.
In order to achieve the above fulfilment of the programme of German cooperation, it may be suggested to start an Indo-German technical cooperation scheme, with following objectives:

a) to exchange technological and scientific information on progress made by various Indian and German institutions through literature and publication at present produced in both the countries
b) sending German technicians and technologists to India for training of Indian craftsmen and technicians by exhibition of films, demonstrations, lectures etc.
c) providing facilities for short time refresher Courses at German institutions for pupils under training, teachers engaged in training centres and visiting pedagogues of Indian universities.

d) to advise government of India on organisation matters concerning the establishment of training programmes, construction of training institutions, lay outs, etc.

e) to provide facilities ror ~~long~~ contacts between the existing German Chambers of Commerce, Consultants orfices, scientific institutions, conducting research and the desirous Indian person, firm, or an institution to obtain information or services (on payment) on any specific problem.

PROJECT REPORT

1. List of items to be manufactured with descriptive literature and prospectus.

2. Phased Program of manufacture

   What will be a profitable economic unit of production to start with.

   It should however be borne in mind while planning for machinery and equipment that the production capacity could be doubled in course of time without major changes.

3. Machinery required for each phase

   (a) Complete list of machinery giving full specifications with prices and desriptive literature/prospectus.

4. List of basic raw materials with complete specification.

   (a) Total value of raw materials required per annum.

5. Any components to be imported in early stages. If so value of imported components per annum.

6. Power requirements

7. (a) Indication of how much total land is required for the factory and offices

   (b) How many square meters of built-up area is required

   (a) for factory

   (b) for offices

8. The cost of production based on German conditions -

   Raw material,
   Power,
   Labour,
   Overheads (factory),
   Net manufactured cost,
   Office,
   Other overheads -actual cost price,
   Selling price

9. Number of foreign technicians required.
Number of Indian technicians required to be trained in Germany.

How soon in your opinion foreign technicians can be replaced by Indian technicians trained in Germany.

10. Indication of total Capital required for each phase:

How much in D-Marks? -

How much in Indian Rupees?

11. Export possibility

(a) Possibility of exporting to Germany complete or half finished parts needed by the German factory for expanding its production program in Germany.

12. List of componants involving higher labour intensive.

13. The details which the manufacturer will like to know about Indian Market Survey.

14. Expected annual turn-over and rentability of the project.

1. **List of items to be manufactured with descriptive literature and prospectus.**

2. Phased program of manufacture

   What will be a profitable economic Unit of production to start with.

   It should however be borne in mind while planning for machinery and equipment that the production capacity could be doubled in course of time without major changes.

3. Machinery required for each phase

   (a) Complete list of machinery giving full specifications and proforma invoice with prices and descriptive literature/prospectus.

   (b) Items of machinery out of the above list which can either be fabricated in India or purchased in India.

4. List of basic raw materials with complete specification.

   (a) Its possible availability in India and to what extent
   (b) To be imported
   (c) How the Indian availability can be stepped up and relatively imports reduced
   (d) Total value of raw materials required per annum.

5. Any components to be imported in early stages. If so value of imported components per annum.

6. Power requirements

7. (a) Indication of how much total land is required for the factory and offices
   (b) How many square meters of built-up area is required.

   (a) for factory
   (b) for offices

8. The cost of production based on German conditions -

   Raw material
   Power
   Labour
   Overheads (factory)
   Nett manufactured cost
   Office
   Other overheads -actual cost price
   Selling price

9. Number of foreign technicians required.
Number of Indian technicians required to be trained in Germany.

How soon in your opinion foreign technicians can be replaced by Indian technicians trained in Germany.

10. Indication of total Capital required for each phase:
How much in D-Marks?

How much in Indian Rupees?

11. Export possibility

(a) To which countries?
(b) Probable value per annum?
(c) Possibility of exporting to Germany complete or half finished parts needed by the German factory for expanding its production program in Germany.

12. A brief exposé of method and technique of production.

13. List of components involving higher labour intensive

14. The details which the manufacturer will like to know about Indian Market Survey.

15. Expected annual turn-over and rentability of the project.

The only correct procedure to minimise unnecessary correspondence and consequent disappointment at least for us will be to sort out or to go into all the details about industrial enquiry on the lines suggested here and anything else that might suggest to you, which could be of help to follow the enquiry more intellegently without having to refer back for particulars.

As every industry or even the import of machinery and equipment needs Goverment sanction and subsequent import licence, the first set of questions which need clarification are:

In case of large scale industry

1. If the inquiry is from a single individual or from a company.

2. The financial structure and investing capacity of the party concerned. In case of a company one should like to know the board of directors.

3. Whether it is a completely new enterprise or if the persons or person interested have business- and industrial experience or it is an extension of existing industry.

4. Has the industrial licence been obtained. If so please send a copy of this licence - and also copy of additional conditions attached with the licence.

5. If the Industrial licence has not yet been obtained - please send copy of your application and also advise us whait chances are there for you to succeed in obtaining the licence. Please, give reasons for your hopeful expectation.

6. Has the capital goods committees' sanction been obtained.

7. What are the arrangements for foreign exchange financing.

8. To enquire if the individual or the company has made the necessary market survey of the article they want to manufacture, such as whether the article is still imported,

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or partially imported or toatally banned. What is the total demand of Indian market and if this market is being satisfied to some extend by other manufacturers what is the further scope of development for the article. If the basic raw material required for it is available in the country or will have to be imported for some time and could be made available in the country or should be manufactured by the party in stages.

9. If Government will grant licence to import the basic raw materials until such times it is available in the country.

10. Projecting for large schemes and its fees. In case of large scale industry it will be necessary to make out a complete scheme project with the help of experts in the line. It will be necessary to pay for such schemes which amount may eventually be deducted from the ordered machinery. A market survey is a very essential thing, Until the enquirer takes the trouble of doing that, the enquiry cannot be considered as serious.

After the above conditions had been satisfactorily fulfilled, the next thing that will need clarification to enable the manufacturers here to make the correct offer for the project will be as follows:

a) The correct specification of the article to be manufactured giving all the deatails such as drawing of the articles or theactual sample of the article to be produced. But if the article is bulky there should be a detailed description of the same.

b) Total production desired per hour/day from the unit that is to be installed.

c) The details of basic raw materials that will be used in the manufacturing process.

d) Correct sizes or dimensions to determine the size of the machine to be offered.

e) Details of electric energy, steam or other power supply available.

11. In case of paper converting or other coating machine we must know the exact width of the material to be coated or converted and the exact quality of the material. In case of adhesive, information should be given as to whait type of adhesive will be used as the drying and coating operations take more or less time depending on the material, the thickness of the coating and the humidity of the air.

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FILE NO 22

PAGE - 1 TO 27

N Ganpule -/-

Dr A Sen Gupta
Dr
Marketing Manager
Höchst Pharmaceuticals Ltd
Bombay

5th Nov /6

Dear Dr Sen Gupta,

In reply to your letter dated 8th Aug your Ref My Dec 10/139 I wrote to you on the 11th asking you to let us have more information about the Akahema Museum in Frankfurt with the help of Höchst A.G as Technical Collaborators

We intend to start with Transparent Glass Figure and then go into its anatomy section by section exhibiting each organ separately and then explain the various diseases pertaining to that particular organ and its care and cure

There will be days fixed for each organ, when there will will be lectures,films and slides etc will be shown treating that that one organ in all the details.

We are writing to Deutsche Hygiene Museum in Münster and also at Köln to let us know what to let us have all the information about such material that they can supply to us free or at concessional ates .

We are also writing to V-DIA Verlag Heidelberg who manufacture coloured slides of Human anatomy

We would like to have from Messrs Höchst permanent fixtures which could be incorporated in the construction of the Museum and not only films and slides etc which could be shown when the Museum exists. We need for that the help and Experience of the Organisation of Messrs Höcst.

Then I have one request. Do you know by chance the present address of Dr R Storckebaum who was once general Manager in Bombay and who left to join Messrs Ciba in Basel. But it seems that he is not there and hence I request you to let me know if you have any information about him

Thanking you and with kind regards

sincerely yours

N Ganpu ley

HOECHST PHARMACEUTICALS LIMITED

Registered Office: Dugal House
Backbay Reclamation,
Post Box No. 273, Bombay 1
Phone: 246191/2/3, 24505
Grams: Hostapharm

HEAD OFFICE
BOMBAY

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SP/15

April 10, 1968

Mr. N.G. Ganpuley,
Founder President,
Health & Education Society,
"Fairlands",
WHITEFIELD,
Dist: Bangalore,
(Mysore).

Dear Sir,

Re: Donation

Please refer to your letter dated February 28, 1968 and reminder dated 9th March. We are sorry for the delay in replying to you.

We are sure, by now you have received the medicines sent to you on 19th February, the value of which was roughly Rs.1,000/-.

We are afraid, we had committed ourselves only to a donation of medicines of the value of approximately Rs.1,000/- and not of Rs.1,000/- in cash in addition to the medicines.

We hope you will find the medicines donated by us useful in your Society.

Wishing the activities of your Society all success, we remain,

Yours faithfully,
HOECHST PHARMACEUTICALS LIMITED

SALES PROMOTION MANAGER

Dr.N:mnt

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HOECHST PHARMACEUTICALS LIMITED

Registered Office Dugal House
Backbay Reclamation,
Post Box No 273, Bombay 1
Phone: 246191/2/3, 245059
Grams: Hostapharm

HEAD OFFICE
BOMBAY

SP/15

February 16, 1968.

Mr. N.Ganpuley,
Health & Education Society,
" Fairlands "
Whitefield,
BANGALORE

Dear Sir,

This has reference to your letter dated 5th January 1968, your visit to our office and the discussions you had with Mr.Bapat.

We are arranging to send to you by separate post:

Rheumal	30 boxes	PYRACORTIN forte	10 x 10	300 —
	10	AMINOX-Granules	100 g.	48 —
	10	AMINOX Granules	250 g.	112
	120 x Lab.	HOSTACORTIN "H"	4's	120
Pain	160	AVIL '25'	4's	56
	160	NOVALGIN	4's	90
Antibiotic	10	HOSTACYCLINE 250mg. capsules	10's	90
				816

Hoping that these samples will be useful to your institution, we remain,

Yours faithfully,
HOECHST PHARMACEUTICALS LIMITED

MANAGING DIRECTOR.

JCR:cda.

Hoechst

Hoechst Pharmaceuticals Limited

Regd. Office: Hoechst House, Nariman Point,
193, Backbay Reclamation,
Post Box No. 11123, Bombay 400 021
Phone : 296191.
Grams : Hextfam · Telex : BY-2747

M.DEV:10:139

August 8, 1976

Dr. N. Ganpuley,
C/o. The K.H.I. Hospitals,
P.O. Karnatak Health Institute,
Dist. Belgaum
(Karnatak State)

Dear Dr. Ganpuley,

We had received a copy of your letter dated August 10, 1976, addressed to our Madras Branch and were awaiting their clarifications before replying to you.

We sincerely regret that it has not been possible for us to cater to your request for printing of the souvenir due to our budgetary restrictions. We are sure that you appreciate the difficulties that the pharmaceutical industry is particularly facing at this moment, which has imposed rigid restrictions on expenditure much against our wishes. We are exploring all measures for cost control and find it difficult to accept any new proposals incurring costs over what we have already budgeted in early part of this year. We are sure to get over this difficult situation at an early date and shall be in a position to cater to such requests from you in times to come.

We have very closely studied the proposals for the Health Museum, which you plan to erect in your institute and assure you of our every possible assistance towards this noble mission. To start with, we can spare you the following two sets of charts :

1) Control of Hookworm infection

We had recently brought out a chart on health education on hookworm for common people. We feel sure that in your area this particular ailment is prevalent, and that you may profitably display this chart in not only your museum but also in all the health centres in the group of villages under your institution. The material is printed on plastic through a silk screening process and will last for a long time. Kindly

...2/-

let us know how many copies of it you require so that we can send it to you.

2) Diabetic Charts

For education of diabetic patients we have brought out a series of charts again on plastic sheets, which is distributed to diabetic clinics all over the country. This material is slightly technical in nature and may be you would like to have only one set comprising of eight charts for your institute.

Both the materials are readily available with us and can be sent to you on your confirmation.

We also have some films on common health education and would be too pleased to put them at your disposal for screening. Our Madras Branch will be contacting you on this subject to find out your specific preferences and programme.

We have also closely studied your proposal for setting up a Health Museum on lines of AKAHEMA in Frankfurt, where our Technical Collaborators, Hoechst AG, are participating. We feel that the public health problems prevalent in Europe and in our country differ widely and, as such, the topics for the exhibition will also vary. If you can kindly provide us information on widely prevalent diseases, we can certainly procure some charts or models imparting education on their prevention as well as their management.

We look forward to hear from you about the specific proposals and once again assure you of our close co-operation and best possible services.

Yours faithfully,

DR. A. SEN GUPTA
MANAGER, MARKETING DEVELOPMENT

ASG:sc.

R.H. MATHEWS

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Hoechst Pharmaceuticals

30. Oktober 1969

Herrn
N. Ganpuley
Health & Education Society
"Fairlands"
Whitefield/Bangalore Distr.

Senr geehrter Herr Ganpuley!

In der Zwischenzeit ist recht viel Zeit vergangen, seitdem ich Ihren Brief erhalten habe, dem die Quittung für Herrn Dr. Storkebaums Überweisung von Rs 700.- beilag. Nachdem mir jetzt gerade bekannt wurde, wo sich Dr. Storkebaum niedergelassen hat, werde ich ihm diese Quittung zusenden. Er hatte mich seinerzeit gebeten, Ihnen in meinem Namen diese Summe zu überweisen, weil er kein großes Aufheben von dieser Überweisung machen wollte.

Zu meiner eigenen Zufriedenheit - und vielleicht interessiert es Sie auch - habe ich eine mündliche Entschuldigung von meiner Bank bekommen wegen dem derzeitigen Nichteinlösen meines an Sie ausgestellten Schecks. Schriftlich wollte sich die Bank nicht festlegen. Sie können sich aber vorstellen, daß ich inzwischen tatsächlich mein Konto einer anderen Bank übertragen habe.

Nachstehend gebe ich Ihnen die Adresse von Herrn Dr. Storkebaum:

Herrn Dr. R. Storkebaum
Oetlingerstr. 2
BASEL
Switzerland

Wie Ihnen vielleicht bekannt ist, wird Herr Dr. Storkebaum ab 1.1.1970 für die Firma CIBA in Basel tätig sein.

In der Zwischenzeit haben Sie auch sicherlich die Spende von Medizinen für Ihre Society erhalten, für die Herr Laengenfelder sein o.k. gab. Herr Laengenfelder befindet sich momentan in Bombay, wird aber bis Ende nächsten Monats mehrfach auf Reisen in den Norden sein, da wir Ende kommenden Monats dort eine pharmazeutische Asienkonferenz abhalten werden.

Für heute verbleibe ich

mit freundlichen Grüßen
Ihre

RH Mathews

P.S.
Übrigens, Herr Ganpuley, waren Sie nicht für mehrere Jahre in Deutschland in der Stadt Hamburg? Auf jeden Fall hatte ich einmal einen Herrn N.Ganpuley im Hamburger Telefonbuch gelesen. Waren Sie es zufällig? Meine Heimatstadt ist nämlich Hamburg.

N Ganpuley

Dr R Storkebaum
Oetlingerstr 2
Basel
Switzerland

13th Aug 76

Dear Dr Storkebaum,

I am writing to you to this address which was given to me by your secretary Miss Mathews, who informed me of your having Joined Siba from 1st .1. 70. It is now a long time and I am taking a chance of reaching you to this address.

Do not get surprised to hear from me not from Whitefie -ld near Bangalore but from this place. Between the time you wrote to me in 1969 and now many changes have taken place. You knew that my friend Dr Zakir Hussein the President died. Our friedd Dr Werth died I donated my Dispensary and about 8 acres of my land and made into a Trust to build adjacent to the Dispensary an Hospital of 30 beds. I have also donated the rest of the land with my House and outhouses etc to this institution and I have come here since January this year to work as I had been interested in the development of this institution also since 1963.

My first meeting with you in Bombay by Hoechst and later your supporting my charitable dispensary with medicines from Hoechst and our meeting in New Delhi and your last letter were things which one cannot forget. I do not think that any attitude change has taken place in you because of your change of place and my having come here. Since my return from Germany in 1964 I had been working for the poor in Whitefield area and only left it after having set up an Hospital for the poor there.

Inspite of my age, now 82, I have not given up my idea of helping the Humanity for which this place has offered a good field. This place is situated in between the villages about which I give here a short account for your information as under :
" Karnatak Health Institute is a non-profit making organisation with General Body and Governing council. In its extensive area of 175 acres it is running three Hospitals with about 400 Beds, General Hospital Maternity hos pital , Familyplnning and Nanadamvan Van or TB Hospital with 170 Beds.

In addition it runs primary school, Kindergarten a craft school and Nurses School with 60 Nurses under training. It has furtner a village Health Service which covers more than 50 Villages with more than 60.000 population worked through 15 and more centres These centres are having children schools, womens organisation, who in turn build otner women organisation round about techers and maternity homes and some kind of preventive and and educative service

KHI will like to consolidate their activities at this centrebut while doing so

it will like to add a cancer section which is very badly needed and inte to build in their spacious grounds a Health Education Museum which seems to be a dire need in order to educate the illietrate Villagers and also others the knowledge of Human Body in all its variations its diverse Organs and their functions their diseases and cures

Even the most developped country like America found it necessar to have such a museum which they first built in Cleveland in 1949 followed by many others later on, whereas in India where it is mostly needed there is none.

One of the great advantage having this museum here will be thes continuous flow of visitors as KHI is visited atleast by 50.000 every year. The knowledge of Human Body is of interest to everybody whether Rich or poor, literate or illiterate, Man or woman .

I am sending to you herewith some literature about our view on the subject and would like to have your sug estions,
For your information I may inform you that KHI received here for some time from CIBA Geigy Ltd America booklet of Clinical Symposia o f which they have about 27 Numbers. This illustrated Booklet treating one organ after the other is very educative and would form part of our exhibition . There are many other such things like slides of various orgens which could be projected and many such useful material . When we wrote to American Siba Geigy Ltd they asked us to contact their office in India, but unfortunately we have not heard from them
I would like to know if you can help us in getting these things and other material which will be useful in your opinion for such an exhibition

This type of exhibition will be first of its kind in India and with the help of men like you we can make it a success.

This is my first letter to you after a long time
I hope that you are keeping well in your new assignment and at a new place. Basel is a nice place on the frontier of two nations and I am sure that you have been very succeessful in your work there

With my best wishes and kind regards

Sincerely yours

Encl

N Ganpuley

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HOECHST PHARMACEUTICALS LIMITED

HEAD OFFICE
BOMBAY

Registered Office: Dugal House,
Backbay Reclamation,
Post Box No. 11123, Bombay 20
Phone: 296191, 296049,
Grams: Hextfam
Telex : BY-2747

MDP/SPD/15
March 4, 1970

Mr. N. Ganpuley
Health & Education Society
"Fairlands"
WHITEFIELD
Dist: Bangalore
(Mysore)

Dear Mr. Ganpuley,

We are in receipt of your letter dated February 14, 1970 addressed to Dr. D.S. Nag.

For your information we mention that Dr. Nag is at present posted in Germany.

We are arranging with our Madras Branch to supply to you the following medicines:

AVIL '25'	25 x 10's
BARALGAN	100 x 4's
COSAVIL	50 x 10's
EUGASTRID	100 x 4's
HOSTACORTIN 'H'	100 x 4's
HOSTACYCLINE 500	25 x 2's
NOVALGIN	50 x 10's

These will be sent to you, as usual, in the name of Dr. V.T. Balakrishna Shetty.

Hoping that these drugs will be useful in the social service work your institution is doing, and assuring you of our best attention, we remain,

Yours faithfully,
HOECHST PHARMACEUTICALS LIMITED
Sales Promotion Department

TAK:mnt

Assistant Manager

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Mr. J.C. Rodrigues
Assitant Manager
Höchst Pharmaceuticals Ltd
Bombay.1

25th March 70

Yor Ref MDP/SPD/ 15

Dear Mr. Rodrigues,

I am in due receipt of your letter dated 4th informing me of Dr Nag being in Germany and that you are arranging to send to us a small consignment of the medicines for our charitable dispensary from Madras adressed to our Dr Metty.

I am writing this to inform you that to the date of writing the said consignment has not arrived. May I request you therefore to kindly look into the matter and advise us

Thanking you and wishing you a happy Easter

Sincerely yours

N. Janpuley

Dear Mr Janpule,

We are all fine and hope
the same with you.
I have not received
this medicines mentioned in the letter.
If not yet please pass N. on to me.

Thanks
Yours

Hoechst

Hoechst Pharmaceuticals Limited

Regd. Office: Hoechst House, Nariman Point,
193, Backbay Reclamation,
Post Box No. 11123, Bombay 400 021
Phone : 296191.
Grams : Hextfam · Telex : BY-2747

M.DEV:15:236

November 12, 1976

Mr. N. Ganpuley,
c/o. The K.H.I. Hospitals,
P.O. Karnatak Health Institute,
Dist. Belgaum
(Karnatak State)

Dear Mr. Ganpuley,

We refer to your letter of November 5, 1976, addressed to the General Manager and also a personal letter of even date to the undersigned. We very much appreciate your sentiments expressed on our past relationship and would like to assure you that the recent changes in the Management Personnel in our Company would not affect such a relationship but even strive to improve upon it. We have noted with admiration your dedication to the noble cause of serving the poorer section of our people through better health care and your efforts towards offering better facilities on health education which we have no doubt is one of the basic needs for the country at the moment. We have strived in the past to offer you our best possible services within the means of our resources and assure you once again of its continuance in future.

As regards your request for assistance in setting up a Health Museum in line with Akahema Museum in Frankfurt, we propose to discuss the subject in person with some of our people in Hoechst AG who are coming to India next week. We have only a broad idea about your project and after a discussion with the gentlemen from HOECHST AG, we will be in a position to write to you on services we can render to you in this regard. You will appreciate that through correspondence it becomes difficult to get all possible details which we have called for and that is why we have decided to seek the necessary information through a direct dialogue. We are sure that you are not

....2/-

HOECHST PHARMACEUTICALS
LIMITED.

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in a hurry and hope it will be possible for us to provide you all the necessary details by the end of this year.

Once again assuring you of our close co-operation and best possible services in future,

Yours faithfully,

Dr. A. SEN GUPTA
M a n a g e r
MARKETING DEVELOPMENT

ASG:lm

15th Dec 67

Shri K.N.Krishnan
Field Manager
465 Block II
Jayanagar
Bangalore 11

Dear Shri Krishnan,

I have now returned back from Germany where I had talks with my friends connected with Chemischefabrik Hoechst.

It seems as a result of these talks they must have asked their Bombay office to make enquiries and accordingly I was told you were here and met Dr Shetty, who is the Hon.Medical Officer of the dispensary that we have started with a view to help the poor and needy round about

What we need for this purpose is a supply of medicines. I hope you have written to Bombay after your visit to our place, still I shall be glad if you can come and meet me here any day except Monay and Thursday on which days I generaly go to Bangalore.

Please let me know when I should expect you here.

Thanking you

Yours faithfully

N.Ganguley

14

HOECHST PHARMACEUTICALS LIMITED

Registered Office: Dugal H
Backbay Reclamation,
Post Box No. 273, Bombay 1
Phone: 296191, 296135,
296088, 296049.
Grams: Hextfam
Telex : BY-2747

HEAD OFFICE
BOMBAY

SP:15

February 19, 1969

Mr. N. Ganpuley
Health & Education Society
"Fairlands"
Whitefield
(Bangalore Dist.)

Dear Mr. Ganpuley,

We refer to your letter dated 15th February 1969, addressed to our Managing Director, Dr. R. Storkebaum, which has been passed on to us for necessary action.

We are glad to donate the following preparations, for use in your Health & Education Society:

HOSTACYCLINE 250 mg.	500 Capsules	8 8
OMNAMYCIN	100 Vials	
REVERIN i.m.	100 Vials	
AVIL "25"	500 Tablets	7 -
BARALGAN	500 Tablets	24 -
COSAVIL	500 Dragees	11 6
NOVALGIN	500 Tablets	17 1
RASTINON 1.0	200 Tablets	3 -
CAMBISON Skin & Ear Ointment	25 Tubes	
LASIX	200 Tablets	5 -
EUGASTRID	500 Tablets	

We have kept the name of your Society on active list and shall be glad to send you donations from time to time.

Assuring you of our best attention at all times, we remain,

Yours faithfully,
HOECHST PHARMACEUTICALS LIMITED

Dr.N:mnt

SALES PROMOTION MANAGER

15

HOECHST PHARMACEUTICALS LIMITED

Registered Office: Dayal
Backbay Reclamation,
Post Box No.273, Bombay 1
Phone: 246191/2/3, 245059
Grams: Hostapharm

HEAD OFFICE
BOMBAY

July 1, 1968

The President
Health & Education Society
" Fairlands "
Whitefield
B a n g a l o r e

Dear Sir :

Under instructions from Farbwerke Hoechst AG. of Frankfurt (Main), West Germany, we have pleasure in sending you enclosed our cheque, of even date, for Rs.1,000.-

With best wishes, we remain,

Yours faithfully,
HOECHST PHARMACEUTICALS LIMITED

GENERAL MANAGER

Encl: cheque
VB:MF

N Ganpuley C/O

16

The General Manager
Hüchst Pharmaceuticals Ltd
Höchst House
Bombay 1

17th June 76

Dear Sir,

I wrote to you a long letter on the 20th May, firstly introducing myself as an old freind of the company since Mr R Storckebaum was the head of the company in Bombay. At his time I was receiving all the help for my dispensary , which was also continued by Dir Langenfelder when he took charge, and was only discontinued because of my turning that dispenyary into an Hospital under Satya Sai Baba.

After that I came here as this institute had been doing the same type of work which I Liked and found most essential for the poor public of this area. The work here is going on unabated but we wanted to do more in the field of Health and hygene and for that sake two new projects have been considered as essential about which also I wrote to you.

Being very closely connected with Germany and German Business having bee. there for abotu 42 years and even today having close relations with Germany that has made such astounding progress after war, I was sure that a firm of your stature will be first to help our new enterprise of building a Health Museum in our grounds which should be a source of Visual education to all literates and more so to illiterates. Such an exhibitoon will only serve as a show window for your products old and new that your research will be wanting to put in the market

By such an exhibtion one aan educate the public the intricacies of the great machinery that the Human Body enlooses. None knows about his own eye, nose throat, ear etc and their functions in the Body their diseases and their cure on which subjects firms like you are consaantly working and you want to bring the benefits of your products t he man who is suffering.

I know of the very correct behaviour of German concerns and their broad minded outlook and hence it surprises me not to have received a considerate acknowledgement from rour side.

I had written in my letter that Miss R.H. Mathews knew abouttt me and I am an old friend of Dr G-S. Dugal whom you must be knowing very well.

Ki-ndly send your representative for talks and also let me know how you could help us in this great visual education project which also concerns your manufact-uring programme

Thanking you and awaiting to have your reply

faithfully yours

N Ganpuley

field, you have no doubt a very well organised publicity department which can perhaps occupy one whole room in this museum, with poster charts, graphs and models showing various diseases their cause and cure.

In Bombay you needed eight floors of a large modern new building constructed by my friend, only for administrative purposes only shows the great expanse of your manufacturing programme which must be supported by an equivalent publicity for which this kind of museum could play great part if assisted by you by suggestions, infor tion and display material

KHI is visited montnly by about 3 to 4000-----outward patien apart from those who lie in the hospital. This means about 50.000 men women and children visit the Campus yearly which will mean tha a surprisingly larger number will visit this museum than any other even in a great city.

For this purpose we have already in our possession complete plans for the ground structure as approved by United Nations

We shall feel happy if we could discuss this plan with any of your represenatative whom you could send here to look into the details of this proposal.

Thanking you

We remain
Faithfully yours

N Ganguley
for Karnatak Health Institute

P.S. If Miss G.E. Mathews private Secretary to the General Manager is still there she might be able to inform you more about me

A Company

18

The General Manager
/Messrs
Hoechst Pharmaceuticals Ltd
Bombay 1

20th May 76

Dear Sir

After I was introduced by y our Directors in Frankfurt/M to your Head office in Bomvay in 1967, I had been receiving great help from Dr Storckebaum, the then director, to run my charitable dispensary in the name of Health and Education Society in Fairlands Whitefield. This was, however, discontinued after 1970, when I converted the said society into Satya Sai Health and Education Trust by donating the dispensary and seven and half acres of my adjasent land to build there an Hospital for the poor and needy of that area.

Then after having donated my house and premises with rest ofthe land to KHI, I have come here in January this year , as I was interested in the development of this organisation.

Karntak Health Institute is a non profit making organisation with a General Body and and a governing Council composed of men, who like the founders give their time, energy and even money and power without any profit or gain motive.

In its extensive land of about 150 acres KHI runs three Hospital with a bed strength of more than 360, consisting of a General Hospital, Maternity Hospital including Family Planning and Nanadamvan or chest or T.B. Hospital

In addition it runs three schools namely, primary school,children school, Craft school and nurses school with averages 60 Nurses

It has a village health service which covers about 50 villages with about 60.000 population through 15 centres. These centres are having children schools, ladies organisation ,teachers,maternity homes and some kind of preventive and educative service.

For some more information,I am enclosing herewith a brochure giving to you a rough idea about its workes KHI has no intention of expanding its present a ctivities to greater extent,but to consolidate itself as an exemplary unit but while doing so it intends to add to the present unit a Cancer section, very badly needed, and to build on its spacious grounds a Health Museum, which seems to be a dire necessity for the illiterate villagers and many others whose knowledge of human body and its shortcomings which is generally so poor, could be lifted by visual education with such a permanent exhibition cum Health Museum, which will be constantly enlarged due to research and new scienti fic methods.

As a very old and reknowned manufacturer on the Continent with a huge manufacturing programme in India for so many life saving drugs and medicines, with an army of inventors and new inventions in this

Dr. A. SEN GUPTA
M. Sc., D. Phil.
Manager
Marketing Development
HOECHST PHARMACEUTICALS LTD.

19

November 12, 1976

Dear Mr. Ganpuley,

I have no information on the present whereabouts of Dr. R. Storkebaum and learn from your letter that he has left Ciba in Basle. I will enquire about him from the visitors from HOECHST AG next week and shall let you know.

With kind regards,

Yours sincerely,

Mr. N. Ganpuley,
c/o. The K.H.I. Hospitals,
P.O. Karnatak Health Institute,
Dist. Belgaum
(Karnatak State)

2c

HOECHST PHARMACEUTICALS LIMITED

MADRAS BRANCH

Mc Dowell House,
1-6, Second Line Beach,
Post Box No. 1297,
MADRAS-1.
Phone: 20167/8/9
Grams: Hextfam
Telex : MS-474

Adv/76 31st August, 1976

Mr. N.G. Ganpuley,
C/o. The K.H.I. Hospitals,
GHATAPRABHA
Dist. Belgaum
Karnataka State.

Dear Sir,

Re: Advertisement - our letter
Adv/76 dated 5th August '76

This has reference to our letter Adv/76 dated 5th August '76.

Meanwhile, our Field Manager Mr. P.M. Ramachandran, has forwarded to us your letter of 14th August.

In view of your letter, as a special case, we are agreeable to taking up an advertisement space at a cost of Rs.150/- (Rs. One Hundred & Fifty) in the Souvenir to be released in the memory of late Dr. Hardiker, despite our meagre budgetary position towards advertisement.

We would request you to insert the advertisement matter as follows:

BEST COMPLIMENTS
from
HOECHST PHARMACEUTICALS LIMITED

As soon as the publication is over, kindly let us have a copy of the souvenir together with your bill for Rs.150/- to enable us to settle the advertisement charges.

Thanking you,
With Regds

Yours faithfully
HOECHST PHARMACEUTICALS LIMITED

KT

DEPUTY MANAGER

Licensee
Regd. C

N Ganpuley

21

11th Oct 76

DS N Sen Gupta
Höchst Pharmaceuticals Ltd
Hoechst House Nariman Point
Bombay400 0 21

Your Ref M.Dev 10/ 139

Dear Dr Sen Gupta,

Many thanks for your kind letter dated 8th August which I could not reply earlier, as I was away to Whitefield, where after long waiting the Hospital was built and inaugerated on the 28th of August by Satya Sai Baba. It is atpresent only a 20 bed Hospital for Women and children but will develop into a 100 bed one for the Poor publich of that area and is going to be completely charitable as satya Sai Baba has undertaken to bear all the cost.

Due to budgetary restrictions you are not able to do anything atpresent but as the construction of a Museum will take quite a long time, we are sure that a world organisation like Hoechst will surely find ways and means of helping this venture,which when completed will not be without any benefit for your organisation.

Charts and films etc wold be naturaly useful for display and also for the education of the students who would also take the benefit of this Museum.We are sending to you a very rough idea as to what we want to do here. We shall surely provide with the list of diseasese in this area, although we know that your organisation has got full knowledge of the same. We also agree that there might be some difference in diseases here and on the constinent, but as apart from the diseases we also wish to educate the general public about whole Human Body under the theme "Man know thyself first", you will a ree that there cannot be any differencebetween Man and Man.

As we want to learn things, we would very much like to receive complete information about the Health Museum of AKAHEMA in which Hoeshst are to a great extent interested. You know that I had been in Germany for about 42 years and have great respect for that great Colour and Chemical set up in Frankfurt Area. As a matter of fact there was once a move to build India House at Frankfurt after the war but later Düsseldorf offered facilties and a India House was built there, but as the name India House was objected having one in London , it was called Duhgal House. It is the same Dr Dugal new- who has built the present Hoechst House.

We shall be pleased to receive whatever material you can now and let us hope for a future cooperation.

With best wishes and kind regards

sincerely Yours
for Karnatak Health Institu

N Ganpuley

69/1

Accra - Mar about 1969

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2 Volume 1965 - " 1621 B
3 Volume 1965 - " 1618 B

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Editor A Zickle
Rose, Bangnabi - West African Edition

24058 altco ch
24571 savsa ch

dear john,

for your problems about ghana products on the world market and world products on the ghanaian market, contact ganpuley and company (ghana) ltd., accra, p.o.box 2336. they are general merchants, produce brokers, importers and exporters, manufacturer's representative for white motor international sa, cleveland/ohio, usa. sole agent in ghana, dahomey, togo, upper volta. i am sure it will be profitable for you to call 75116 or telex 229.

best regards to your wife and children. sincerely yours.

george

24058 altco ch
24571 savsa ch

Ganpuley & Company (Ghana) Ltd.
P. O. Box 2336 Accra, Telex 229, Phone 75 116

23

Schlüssel zum Tor der Welt: Ganpuley & Co

Gordian Hamburg

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69/8

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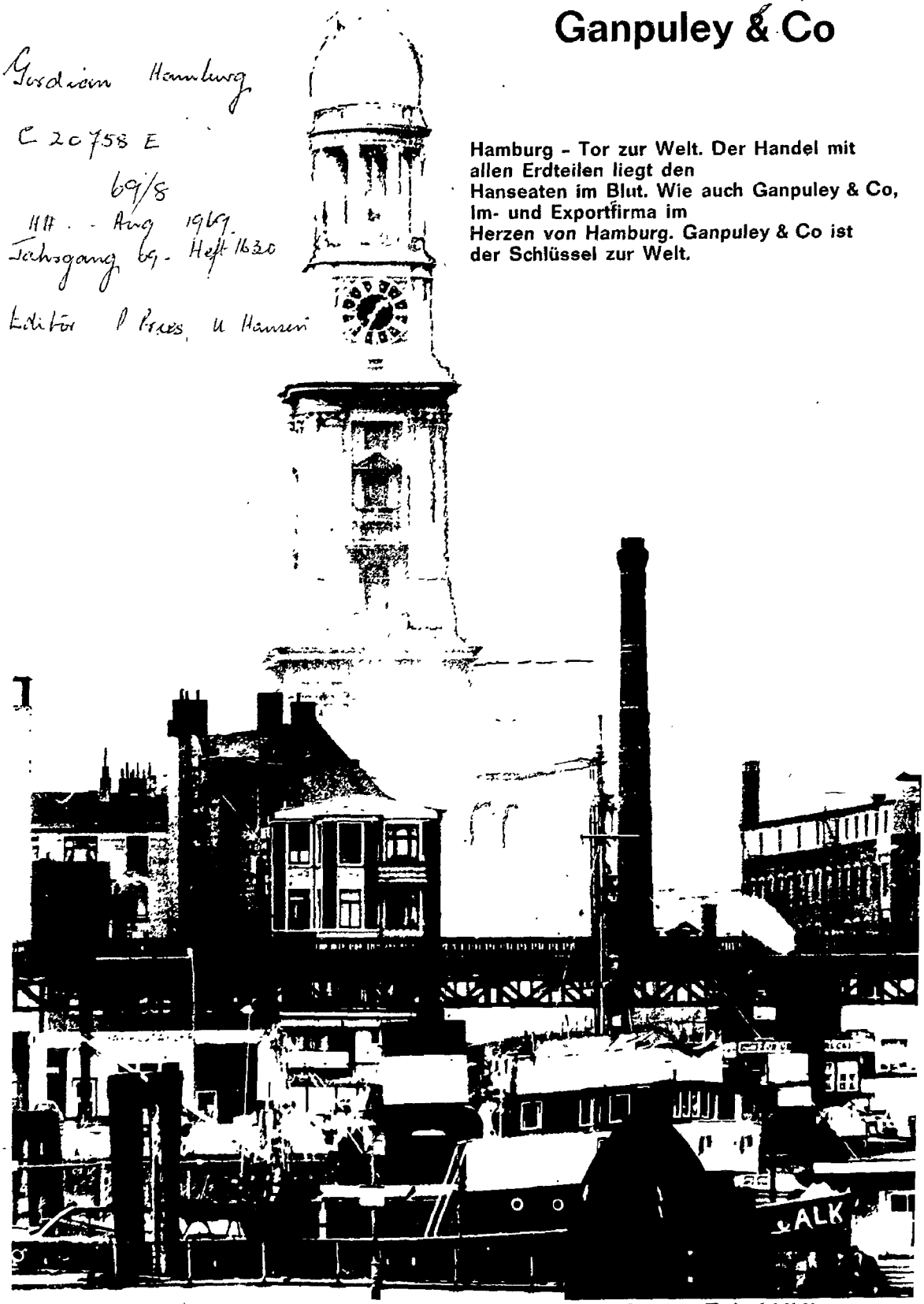

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Ganpuley & Co 2000 Hamburg 36 Alsterufer 10 Tel. 44 11 11

Hallbergs Druck

2.M

From

Sri Narahar Govind Ganpuley,
"Fairlands", No 12, Main Road.
Whitefield

To,

1. Bhagvan Sri Sathya Sai Baba;
"Brindavan", Whitefield.

2. Dr Bapu Jinnappa Nagadem
Senior Officers colony,
H.A.L. Bangalore — 17.

3. Sri N.D.M Appa,
No 9, Clerk's Road, Richards Town
Bangalore.

4. Sri A Sreenivasa Reddy,
Advocate, No 38, Prithvi Buildings,
Kempegowda Road, Bangalore-9.

Subject: "Sri Sathya Sai, Health and Education Trust, Whitefield":....
Management of.

Dear Bhagavan Sri Sathya Sai Baba and Sirs,

1. As all of you Know very well, I am the Donor and Author of the

Sri Sathya Sai Health & Education Trust, Whitefield"

and your good selves and myself are the

Co-Trustees thereof, with myself as the Convenor

and Bhagavan Sri Sathya Sai Baba, as President

thereof.

2. The Objects of the Trust have been fully enumerated in the Third clause of the Deed of Trust, dated the 21st day of May 1970, a copy of which, you possess. They are mainly (a) to promote Health & Education in all its aspects and to advance Hindu Spiritual Culture & (b) to give Medical and Educational Aid to the needy people, in particular to the residents and Harijans, in and around Whitefield. To achieve these main Objects, the deed of Trust provides in clause 3(c) as under:-

"To establish, maintain and open dispensaries, Schools, Pharmacies, Hospitals and other Such Institutions, Associations or Establishments, necessary, desirable or expedient for carrying out or promoting the Objects of the Trust and to construct new Hospitals or Buildings for Educational and Medical purposes; to begin with, a 30 Bed Hospital shall be started as early as possible."

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3. Though the Trust has been created more than three years back, I very much regret to say, that practically nothing has been done by the present Trust Committee to further the objects of the Trust. According to clause 18 of the Deed of Trust, I, as Convenor, am required to call the meetings of the Trustees, in consultation with the President of the Trust. But, unfortunately, all attempts made by me to have a personal consultation with the President, have failed and letters written by me have not met with any response. Some Messenger called by me, could not transact any business due to the non-attendance of the members of the Trust Committee. No progress of any kind has been made so far, to achieve the objects of the Trust. Not only that, but, even the charitable dispensary, which I was running prior to the creation of the Trust, and which I donated to the Trust under the Deed of Trust, is now in a very miserable plight. It has become almost impossible to run it, for want of funds. My own apprehension is that, it may have to be closed down, if the present state of affairs continues or is allowed to continue. To allow such a thing to happen would be clearly a breach of Trust

Likewise
Like ~~Like~~ Complete cination on ui part of ui Trust Committee, as is ui case at present, would also amount to a breach of Trust. It is, my anxiety and also earnest desire to see that, We, as Co-Trustees and forming ui present Trust Committee, should not be guilty of such breach of Trust or faith, and thereby expose ourselves to ui process of Law.

4. I would particularly invite your attention here, to ui last part of ~~clause~~ clause 3(c) of ui deed of Trust, which enjoins a duty on us (Present Trust Committee) to start a 30 Bed Hospital, to begin with, and that too, as early as possible. Nothing has been done, in this direction, so far. No Construction, even, has taken place, on ui site, to begin with. A few days back, I learnt with much concern, that an idea is being mooted, to have many living quarters or Buildings on ui Site, forming part of ui Trust Property, keeping aside ui ~~question of~~ Construction of ui 30 Bed Hospital. This To do so, would be clearly against The express terms of ui deed of Trust, and I, as a Co-Trustee and Convenor, would certainly resent it, and also would, if necessary, actively oppose it. I sincerely hope and trust this idea would be dropped forthwith.

FILE NO:- 23

1970 TO 1976

PAGE NO :- 1 TO 37

FILE NO:- 23

1970 TO 1976

PAGE NO :- 1 TO 37

The story about six years
Of patient waiting after
having donated the built in
Dispensary in working and
seven and Half acres of land
and made a trust with Satya
Sai Baba on his assurance to
build there a 30 Bed Hospital
for the poor and needy of the
Area

L9 70 May till May 1975-76

Only 20 Bed two wards were
inaugerated on the 28th Aug 76

THIS INSTRUMENT OF TRUST is made on this the Twentyfirst day of May, One Thousand Nine Hundred and Seventy:- (21-5-1970) at Whitefield, Bangalore South Taluk, by Shri. Narahar Govind Ganpuley, son of late Shri. Govind Krishna Ganpuley, aged about 75 years, residing at 'Fairlands', No.12, Main Road, Whitefield, Krishnarajapuram Hobli, Bangalore South Taluk, hereinafter called the 'DONOR' of the One Part in favour of:

Sriyuths: (1) Bhagvan Sri Sathya Sai Baba,
'Brindavan', Whitefield,
Krishnarajapuram Hobli,
Bangalore South Taluk;

(2) Sri Narahar Govind Ganpuley,
S/o. Sri Govind Krishna Ganpuley,
'Fairlands', No.12, Main Road,
Whitefield, Krishnarajapuram Hobli,
Bangalore South Taluk.

(3) Dr. Bapu Jinnappa Magdam
Son of late Jinnappa,
Senior Officers' Colony,
H.A.L., Bangalore-17.

(4) Sri. N.D.M.Appa, Son of late
Sri Narayanaswamappa, No.9,
Clerk's Road, Richards Town,
Bangalore;

and

(5) Sri. L.Sreenivasa Reddy, Advocate,
Son of Sri B.Lakshmaiah Reddy,
No.38, Prithvi Buildings, Kempegowda
Road, Bangalore-9.

hereinafterwards called the 'TRUSTEES' (which expression shall include the survivor or survivors of them and those who are duly nominated, or duly appointed or co-opted as Trustees, in the place of any, or all of them, or in addition to them as provided hereinafterwards of the TRUST hereby created, OF THE OTHER PART:

Whereas the aforesaid Donor Sri Narahar Govind Ganpuley is the absolute owner in possession and enjoyment of all the property together with the Buildings thereon, known as 'FAIRLANDS' and situated in Whitefield, Krishnarajapuram Hobli, Bangalore South Taluk, measuring 9 acres (Nine Acres) and 38 Guntas (Thirtyeight Guntas) and bearing Survey No.3/1 (Old Survey No.29), he having purchased the same from Mr.John J Ferris, under a Registered Deed of sale dated 13-3-1957 for valuable consideration, free from all encumbrances, charges and liens whatsoever;

..... 2/-

And whereas the Donor is desirous of transferring all his right, title and interest in Seven (7) acres and 38 (thirtyeight) Guntas of Survey No.3/1 (Old Survey No.29) which portion is hereinafterwards fully described in the schedule to this Trust-Deed and which is hereinafterwards referred to as the 'TRUST PROPERTY' in favour of the Trustees, under this Deed for purposes of the Trust hereby created;

And whereas the Trustees abovenamed have agreed to act as Trustees and are willing to be invested with the ownership of the Trust Property, the value of which is Rs.55,000/= (Rs.Fiftyfive thousand only) for purpose of carrying out the objects of the Trust:

NOW THIS DEED OF TRUST WITNESSETH AS FOLLOWS:

1. That the Donor, as the owner of the Schedule Property, hereby conveys, transfers and grants unto the aforesaid Trustees of the said Trust viz. SRI SATHYA SAI HEALTH & EDUCATION TRUST,'WHITEFIELD', all the piece and parcel of land together with the Building erected thereon and more fully described in the Schedule to this Deed, TO HAVE AND TO HOLD THE SAME in trust for the objects of the Trust as setout hereinafterwards to be used and appropriated for the Trust, in order to Carryout and fulfil the objects of the Trust.

2. Name of the Trust: The Trust shall be called 'SRI SATHYA SAI HEALTH & EDUCATION TRUST, 'WHITEFIELD'.

3. Objects of the Trust: The objects of the Trust are:

(a) to promote Health & Education in all its aspects and to advance Hindu Spiritual Culture;

(b) to give Medical & Educational Aid to the needy; and in particular to the residents and villagers in and around Whitefield;

(c) to establish, maintain and run dispensaries, Schools, Pharmacies, Hospitals and other such Institutions, Associations or Estaolishments, necessary, desirable or ~~expedient~~ expedient for carrying out or promoting the objects of the Trust, and to construct new Hospitals or Buildings for educational and Medical purposes; ~~and~~ to begin with a 30 Bed Hospital shall be started as early as possible.

(d) to promote General awareness in the Public in and around Whitefield regarding the importance of sound Health, Hygiene and improved standards of living.

(e) to educate the people in Public Health and sanitation in all possible ways.

(f) to publish Pamphlets, Leaflets, Books, Periodicals etc., to promote the objects of the Trust;

And whereas the Donor is desirous of transferring all his right, title and interest in Seven (7) acres and 38 (thirtyeight) Guntas of Survey No.3/1 (Old Survey No.29) which portion is hereinafterwards fully described in the schedule to this Trust-Deed and which is hereinafterwards referred to as the 'TRUST PROPERTY' in favour of the Trustees, under this Deed for purposes of the Trust hereby created;

And whereas the Trustees abovenamed have agreed to act as Trustees and are willing to be invested with the ownership of the Trust Property, the value of which is Rs.55,000/= (Rs.Fiftyfive thousand only) for purpose of carrying out the objects of the Trust:

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(d) to promote General awareness in the Public in and around Whitefield regarding the importance of sound Health, Hygiene and improved standards of living.

(e) to educate the people in Public Health and sanitation in all possible ways.

(f) to publish Pamphlets, Leaflets, Books, Periodicals etc., to promote the objects of the Trust;

(g) to bring about a spiritual awakening and love of God in the Public by organising Group Prayers, Lectures and Seminars etc., to advance Hindu Spiritual Culture;

(h) to do any other act, thing or deed which is necessary, desirable or expedient for the furtherance of the objects of the Trust.

4. The Trust Property shall consist of:

i) The Schedule property;

ii) All the movable and immovable property that may be acquired by the Trustees hereafterwards;

iii) All donations, grants, gifts and presents of movable or immovable property.

5. The Trustees enumerated earlier in this Deed are the Members of the First Trust Committee of the Trust. In case of any vacancy amongst the Trustees occasioned by death, resignation, incapacity or otherwise of any Trustee, the remaining Trustees or in the case of only one Trustee remaining, he, shall nominate the other or others.

6. There shall be a President from amongst the Trustees who will be called as the President of the Trust and he will preside over all Meetings of the Trustees when present. If he is absent, the Trustees may elect for that meeting one amongst them to preside over that Meeting.

7. The President of the Present Trust Committee will be Bhagavan Sri Satya Sai Baba.

8. The Convenor of the present Trust Committee will be Sri Narahar Govind Ganpuley.

9. There shall be five Trustees for this Trust, but the President may increase the strength of the Trustees.

10. In case of vacancy, for whatever reason, of the Office of the President or Convenor, the Trustees shall elect and fill the said Office

11. The Trustees shall faithfully and diligently manage the Trust properties in the best interests of the Trust and fulfill the objects of the Trust according to the decision arrived at by a Majority of the Trustees, either at a Meeting of the Trustees or by circulation of the subject.

12. The Trustees shall have power to decide on all matters pertaining to the fulfilment of the objects of the Trust.

.....4

13. The Trustees shall have power to determine, sanction and allot all such sums as are required for the construction of the Building, Equipments etc., and to spend and approve capital and other expenditure.

14. The Trustees shall have power to make Rules for the conduct of their business and proceedings consistent with the objects of the Trust and other details mentioned in this Trust Deed.

15. The Trustees shall maintain or cause to be maintained correct and accurate accounts of the Income and Expenditure of the Trust.

16. All monies of the Trust shall be deposited in a Scheduled Bank either at Bangalore or at Whitefield of both in the name of the Trust and the accounts shall be operated by the president.

17. The Trustees shall have power to acquire and hold movable and immovable properties in the name of the Trust.

18. The Convenor shall call a meeting of the Trustees, in consultation with the President of the Trust.

19. The decisions of the Committee will be by a Majority of Votes and if they are equally divided, the President of the Trust will have also a casting vote.

20. Any agreement to be entered into for and on behalf of the Trust shall only be after the same is decided in a meeting of the Trustees and the Agreement shall be valid only if signed by the President and two other Trustees.

S C H E D U L E

All that piece and parcel of land and containing Casurina and other Trees and a Building used at present as a Charitable Dispensary in Survey No.3/1 (Old Survey No.29), situated at 'Whitefield', Krishnarajapuram Hobli, Bangalore South Taluk, excepting for a portion of two (2) acres of this survey number which is described as the Reserved property, hereunder, in which, the Donor continues to retain his right, title and interest till his demise, and desires to donate and settle which also as Trust Property, of this Trust at a future date either by a testamentary or non-testamentary disposition. The Boundary of the entire survey number inclusive of the Reserved Survey number is as follows:

On the north by	:	Christian Cemetry Road;
On the South by	:	The house formerly belonging to late Dr. & Mrs. Brooks & now to Mr.Whitley;
On the East by	:	Government Grazing Road;
On the West by	:	The main road and the house formerly known as 'Fermaine' and owned by Mrs.Kishander & now belonging to Mr.Walker.

RESERVED PROPERTY :

All that piece and parcel of land measuring about two (2) acres together with the residential house of the Donor, Garage, Servant's quarters and trees and lying on the South-West of Survey No.3/1 (Old Survey No.29) which portion is bounded on the:

North by	:	the remaining portion of Survey No.3/1 inclusive of the Passage leading from the Main Gage; situate on the Western side;
South by	:	the house formerly belonging to late Dr. & Mrs. Brooks and now to Mr.Whitley;
East by	:	Portion of survey No.3/1; and
West by	:	Main Road and the House known as 'Fermaine' formerly belonging to Mrs. Kishender and now belonging to Mr. Walker.

N O T E: The total extent of the entire survey Number 3/1 (Old Survey No.29) is 9 (nine) acres and 38 (thirtyeight) Guntas. The extent of the Reserved property is about two (2) acres and the extent of the Trust property is 7 acres (seven acres) and 38 guntas (thirtyeight guntas).

In witness whereof, the Donor and the Trustees above named have affixed their respective signatures untp this Deed of Trust

..... 6/-

on the day of the month and the year first above written in the presence of the following witnesses; hereto attested:

WITNESSES:

1) Sd/-

2) Sd/-

Sd/-

D O N O R

1. Sd/-

2. Sd/-

3. Sd/-

4. Sd/-

5. Sd/-

T R U S T E E S.

Registered as No.1127 of 70-71.

Page- 37/43 Volume 803 of Book-I.

Dated: 1-6-1970.

Sd/-

Sub-Registrar
Bangalore South Taluk.

" TRUE COPY"

on the day of the month and the year first above written in the presence of the following witnesses; hereto attested:

WITNESSES:

1) Sd/-

2) Sd/-

Sd/-

DONOR

1. Sd/-

2. Sd/-

3. Sd/-

4. Sd/-

5. Sd/-

TRUSTEES.

Registered as No.1127 of 70-71.

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Brief Synopsis of Shri Satya Sai Health & Education Trust

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After seeing the working of Karnatak Health Institute Ghataprabha under the direction of Dr.Hardikar and able professional guidance of Dr.Vaidya, I very much wished that this institution should start such a model Health Institution at my place in Fairlands Whitefield a very promising satellite township of Bangalore where I happened to own about 9½ acre property in a very healthy locality, open and free on all sides with healthy growth of Neem, Mango, Tamarind, Kajunuts, Soapnuts, Seeta Phal Jackfruit, Guava and other trees to which I had personally planted about 500 **Casuerina** in the form of walking allees, Old sandal wood trees and a luxurious banian tree. It looked like a veritable park leaving about 6 acres of land for agriculture where all the food crops needed by the workers here for their daily consumption could be grown.

I thought of it after I came back from Germany and saw that there was no suitable hospital for the Whitefield locality and round about. Although it was a very genuine and very beneficient offer looking from the standpoint of the people of the place & its vicinity and a very generous one as it was going to cost KHI nothing, still my friends in KHI were honest enough in not accepting the same, as from their experience they thought that they will not be able to manage the same from ~~the~~ a distance of about 300 miles where they were successfully operating. Perhaps funds would not have mattered so much as the proper set of qualified doctors, nurses and trained personnel with very much needed sacrificing spirit for such an undertaking. They were running now the KHI since 1929 started on a rocky waste land by Dr.Kokatnoor,

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a qualified America returened Doctor belonging to that part of the country. In these 45 years they have crea--ted out of that rocky land a wonderful shady and heal--thy Sanatorium primarily for the TB patients and now as a general hospital. The healthy salubrious dry cli--mate is in itself a gift of the nature to help untiring and loving work of the whole staff which have imbibed the spirit of those who are administering that Institu--tion.

I very much wished they start a sister concern on this land here and that too in the vicinity of Bangalore which happened to be the seat of Karnataka Government. Such Institutions apart from the public support which flows in gradually, the most essential government sup--port which comes often in the form of substantial con--tribution as a part of government duty towards the peo--ple for which every year quite large sums are earmarked. Health ministers and other official functionaries do go around and visit such places from time to time, but it means a good deal if such an institution could in easily accessible vicinity.

KHI has been able to achieve a great deal in this respect, but this has always been a very uphill task and much depended on the quality, goodwill and often personal acquaintance of those who happen to be in the authority at different times. With the assiduous work for the last 45 years KHI has been able to achieve the most cre--ditable success and can be called the Sanatorium so far Karnatak State is concerned.

All my well meaning intentions not only with the idea of making this Institution still greater and more versatile, but also in order to give the benefit of the work done by such institutions to the most needy villa--gers round about and also to the local society who needs

such a help very badly always miserably failed but yet I had not given up hopes. I very much wished that this healthy and good land which I happened to possess should be utilised for some good purpose or otherwise the sense of ownership has absolutely no value in the moral code of human life. I was not a literary man, I was also not an avowed spiritualist but somehow the knowledge of the world misery had perhaps inadvertently created in me that inclination of always doing something good to the fellow--men according to his needs. I had been following this precept of my subconscious mind as a matter of fact with--out being pressurised by worldly or other--worldly motives.

Having failed in one attempt I thought of offering the same to Shri Budharakhita but as he was doing the like type of work at another centre, I could not in--fluence him to my idea when he was my guest for a couple of days. Following this one day a small delegation from Alembic Glass Works who knew about my intentions, came to me and enquired if I would give my land for building a school and other such activities in which the Dispensary and a small hospital and also a Samajmandir for the peo--ple with perhaps a small Gajanana temple was incorpora--ted. Without any hesitation I agreed to give them the land without any strings. I even today do not know the reason why, but they kept me waiting for about four months to hear from their Director Shri Ramanbhai and without even a word of apology backed out from my generous offer. Before that, that is in 1966 Dr.Shetty a private practi--tioner of this place approached me and said that he with

two other doctors Dr.Paul and Dr.Ravindra both of this place would like to start a charitable dispensary and if I would give a part of my land for that purpose. To me it was a god sent proposal. I thought that perhaps this small dispensary might one day grow into a good-sized hospital. I also coupled this with the idea at my back that this could be a small nucleus of KHI where--from one can spread the feelers into the government. I talked about it to Mr.Nimbkar the president of KHI who was not in any way averse to it but even promised some help. I promptly told Dr.Shetty of my readiness to give to them to start with 100' x 100' land which the most that they then needed. I got the portion of the land converted for that purpose and while I was waiting one day Dr.Shetty came and told me that the two other doctors have backed out from their original intention but he was prepared to do it alone, however, he has not the neces--sary capital to build a suitable building for that pur--pose. Everything was coming new & uncalled for to me. As I had no other ties in the world I was ready to spend whatever I could lay my hands on for such work and by the end of 1966 I built a decent building for this purpose with 6 x 12' x 12' rooms with a place for three more when needed. Dr.Shetty true to his word occupied the rooms and started practice. We could not be completely charita--ble but collected a small part in the form of 10 paise for registration and 50 paise for injections, both the doctor and the nurse were working honorarily only three hours in the morning. I then started interesting the well to do friends around and formed a society called Health & Education Society to which each member was sup--posed to contribute Rs.12/- per year. Messrs.Hochst

Director whom I happened to know helped me with medici--nes and also some money. Mr.A.Hamied of Cipla who was also my friend sent to me his medicines free and then I went to Germany in 1967 from where I collected huge stocks of medicines with promises to give more which I brought home with the help of Dr.Zakir Hussain an inti--mate friend of mine and the then President of India got cleared through the great hurdle of import which needed sanctions of drug control, finance control, im--port & export control and the like. He also helped me further in getting such foreign medical help which I re--ceived from Aerztliche Mission in Tubingen and from Vienna and promised all his help till his untimely death in 1969. Because Mr.Ramanbhai the director of the Alem--bic Glass promised me necessary funds provided I manage to get these funds free of income tax. We set about the work and were successful in getting the sanction from the Income Tax office to collect funds for our work free of any Income Tax to the donor. Even in this case Shri Ramanbhai showed us cold shoulders and the Samaj Mandir of our dream did not become a reality.

By the end of 1969 things began to look gloomy for the Society as Dr.Shetty who was the initiator of this idea and the necessary Doctor working honorrarily was re--quired to leave Whitefield as there were no schooling facilities for his growing children. It was quite under--standable that he could not stay long here and so purchased a property in Cambridge Road just opposite a Missionary School and shifted there. There was no honorary help available. Dr.B.J.Magdum the Chief Medical Officer of HAL would have readily worked free but he was still in service and so no other Doctor was available we were

thinking of closing the Dispensary when I heard by chance from Smt.Shanta Diwakar and Shri A.R.Diwakar whom I know for long and who happened to be the devotee of Shri Satya Sai Baba that Baba was in search of some good place for his activities and asked me to contact Shri R.G.Kulkarni who was also known to me and who happened to be the prin--cipal of the recently started college in Brindavan.

After this short history of the beginning of my ven--ture in creating a local health centre the story of the formation of the present Shri Satya Sai Health and Educa--tion Trust begins. I would not have written this brief account if I were not compelled to do it. I know the way our politics and economics are behaving. An honest man has no place there and cannot expect any help even though it is meant for the poor of the country for whose sake & in whose name the present government is living and the Industry & trade flourishing. Bitterly disgusted & dis--appointed with these segments of our society, I turned to religion and spiritualists of which India is so very proud and self-conscious. Therefore the mere suggestion that I should approach Sai Baba caught my imagination & I got myself in touch with Shri Kulkarni.

Accordingly on the 2nd April 1970 Shri R.G.Kulkarni came to me and told me that he had a word from Baba and I should meet him today afternoon. Nothing could make me more happy then than this news. It was then decided that he will consult Shri Gokak and let me know the time. Accordingly I received the call and I was expected to be there at about 4.30 P.M. I informed Dr.Magdum accordingly but not being sure if he will be able to come in time to fetch me, I requested Deepu the son of Shri Rao to drive me there in time and just then when I reached there and

waiting outside the room just at left hand side of the main entrance where Baba was talking with some students, Dr.Magdum also came and we were asked to enter the room. Baba happened to be with the students and Dr.Gokak was also there. After formal greetings I opened the subject to Baba enquiring as to whether he needs a land for school etc. to which the Baba replied that he does not want to make more educated people with beggars bowl, upon which we told about our dispensary and expressed our desire to build there a hospital for which purpose Dr.Magdum was also there. Baba readily accepted the idea & said that he is for it and practically gave his affirmative deci--sion regarding building a hospital and asked Dr.Gokak to take him there next day at about 12. But Gokak told him of some meeting with certain Americans but after that he would surely come. On 3rd April, as expected, Baba came a little late at 12.30 P.M. with Dr.Gokak at this time Babu Diwakar and Shri Mangesh Rao were at my place. Baba immediately saw the place cursorily and without any formalities sat with us in my veranda where we had a very lively discussion for about 30 minutes. It was then decided to build on the ground a 30-bed hos--pital for which Baba would keep all the required money at the disposal of the project. Mrs.Mayer Schroder was there, who then took a photograph of the group in front of my door is still with me. It has only faded away in course of time. Dr.Gokak wanted to come to me on the 5th April at about 11 A.M. but instead he came with Mrs. Gokak at 10.30 A.M. as Baba was not in the station. We spoke in all details and Dr.Gokak promised to keep behind for Baba a detailed report as he was to leave for Simla. It was proposed to make a Trust with Baba as President

and together with me other 7 trustees that is in all 9 members including the president. Everything should be brought to paper soon. I was supposed to live here my lifetime as the administrative person. I was very happy with the great change which was taking place in my life and thanked God for this new solution of my problems. I had just made a sorry experience with Alembics & did not like to have its repetition. On the 9th Shri Diwakar with family came here at about 5 P.M. and we drove to Brindavan. He sat with us in the library room outside for about 20 minutes talking about various things and in the course he also told us that although often invited he would not like to go to America till India is in its pre--sent situation. What should he tell there so long he cannot do anything here. I very much liked his stand--point.

On the 21st I went in the morning to Brindavan where I met Shri Kulkarni who tried to get me in to Baba but could not due to other visitors and promised a meeting at 4 P.M. Accordingly I was there at that time and could meet Baba at 4.30 and talk with him regarding the Hospi--tal plan which confirmed my hope to have done my duty towards the poor.

On the 24th as I was just putting down my thoughts for talks with Dr.Gokak he came to me in the morning at 10.30 and spoke with me about the proposed trust & pro--mised to phone to me again. Immediately after one hour I received a phone call and I was asked to be there at about 4 P.M. We were there and he received us and treated us with others to coffee and snacks and gave me his last word about the construction of the hopsital. We were there till 17.40 hrs. when he drove to Anantpur, and had

ordered that everything should be ready by Sundary when he hopes to be back. He will come back either on Satur--day or on Sunday when Dr.Gokak will meet me on Sunday and we should meet Baba and finish with all the forma--lities. I was overwhelmed with joy to see the fulfil--ment of my dreams that God had so kindly ordained.

On the 30th April at about 10.30 came to me Dr. Gokak with Shri Papa Reddy and Shri L.S.Reddy his son--in-law who was an advocate with a draft of Trust Deed and spoke with me about the details of the same. There was not much to say about it as it was formulated on the basis of the memorandum of the Old Society with only a few changes. They promised to come after a couple of days for the final signatures. Eventually on the 5th May at about 17.30 hrs. Shri Gokak with other two gentle--men came to me with the new draft of the Trust Deed, as in the first draft there was the question of giving away the whole of the land and some changes were needed. They left with me these fresh drafts and promised to come the next day.

The draft of the deed which they had made after long deliberation with Dr.Gokak and drawn on the lines of the talks which first had with me on the 5th of April, as he was the only person who knew about the proposed donation and the suggestions which he had made at that time were included in it. As from a very long time I was playing with the idea of donating my land for a good purpose and as such had absolutely no intention of going back on my promise, I did not take objection when this deed was pre--sented to me as the objects of which were to a great ex--tent taken over from the Memorandum of Association as

was drawn up by my old Health & Education Society in which it was also mentioned that the Society can hand over its work to any organisation which have like objects. As it meant to tie me down to a trust I wanted to think over it and they promised to come once again.

When they came again on the 5th of May, I wondered the speed with which they tried to bind me down which did not make me suspicious but on the contrary I was very happy to see their promptness in the execution of the work undertaken by Baba. I told them of having gone through the draft carefully which I find quite alright except for a few changes. I find that by giving all my land I shall be keeping myself at the complete mercy of the trust even for living in my house which is, as you will all agree is quite inconsiderate. I suggest there--fore that the deed should be changed to the effect that I retain for myself 2 acres of the area on the side of my present house with my house & outhouses etc. together with my entrance with the main gate. Further instead of nine Trustees which is quite cumbersome there should be only five Trustees of whom two were to be from my side and two from Baba with Baba as the President. To these proposals all agreed and I handed over to them the old deed to be redrafted which they promised to do at once and accordingly when I phoned next day to Dr.Gokak seve--ral times I was told in the afternoon that they are on the way to me. They came to me all of them on the 6th at about 2.30 P.M. and handed over to me the redrafted deed. This was done by Shri L.Srinivas Reddy the Advo--cate who also became one of the Trustees.

We took over leave glad about the happy conclusion. In the evening of the 6th May when I was strolling in the

fields behind someone came to tell me that Baba has come to my place with a large retinue in three cars to see my land. I did not know them all but Baba personally told me their names from-which one was Dr.Bhagawantam, Brig. Raju and many other of his closer devotees. Baba went over to the land and again in the Dispensary and when he was standing there surrounded by his devotees in front of my house I solemnly declared in the presence of all that I am giving my land as a gift for the purpose of building on it an hospital with 30 beds and for other necessary buildings such as doctors and nurses quarters, cantene, store house, servants quarters, play-ground, garden etc. Immediately after that Baba asked Brig.Raju to start taking measurements and make out a plan & after that the whole group left for Brindavan.

Accordingly on the 7th May at about 3.30 P.M. men from Brig.Raju's office came and took the measurements of the whole land. Then [redacted] on the 8th May we went by previous appointment to pay our respects to Baba as Shri Achyut Patwardhan with his sister-in-law wanted to meet Baba. We were at the Brindavan as wanted by Baba at 4 P.M. He was waiting for us and received us all cordially. There were Patwardhans, Mangesh Rao & his wife, Dr.Magdum and myself. At that time Shri Dikshit, whom all of us knew was also there. There was a free talk for some time after which Baba asked us all to tea & sweets etc. and the time passed in great joy in the company of Baba. He also told me at that time that he has already paid money to Shri L.S.Reddy for the registration of the Trust etc. We returned all happy at about 17.15 hrs.

It was 31st May (Sunday) the day of Great Bhajan. When we reached there it was 10 A.M. After sometimes Baba

passed through the human crowd sitting & waiting for him and after finishing his rounds when he saw me he came to us and greeted each other after that he went to Dikshit and came back again and told me that he would come to me in the evening at 5 P.M. He came accordingly with Dr. Gokak. He sat at my place for about 30 minutes. Then there were two doctors and Mr.Rao. I was told that there on that day about 30 ministers to lunch at his place. I must think myself very fortunate that such a person comes to me.

I was away for about a month to Dr.Magdum regarding foot finger which needed to be operated and the healing took long. In my absence without taking anyone's permis--sion, the eldest son of Col.Joga Rao had started with boring operation on the ground as he thought he was him--self the best water diviner. Had decided a place just fifty feet from the place where Rao's Insulation had their borewell and was working on his own without caring for anyone. Now that the plot belonged to the Trust & Col. Joga Rao was the staunch devotee of Baba one could not question his son about what he was doing and more so be--cause he was spending the money. It started on the 7th July.

On the 8th July, Dr.K.Mrishnamurthy, who was to take charge of the Dispensary came and Dr.Shetty left the place for good. On the strength of Baba's promise we had advertised and selected a doctor for the dispensary who was supposed to attend daily in the morning and was to be paid Rs.250/- per month.

On the 9th July we received the first payment of Rs.1,116/- from Baba and a second payment of Rs.940/-. Since that time slowly myself & our work even in Dispensary was put in the background and it became impossible to

meet Baba or talk to him even on the most important mat-
-ter of conducting the dispensary. We needed money for the dispensary which we had now set up well from the funds of Health & Education Society which we dissolved & apart from giving the cash of Rs.793/- from the Society on 29 Aug '70, we purchased equipment to the tune of Rs.4,000/- to fit up the dispensary. After long begging Shri Papa Reddy went and brought Rs.1,000/- on the 8th Feb. '71 followed by Rs.997/- on 17th May '71 and from that time onwards everything was stopped. As I could not do anything neither see Baba nor talk to him nor re-
-ceive any reply to my letters, I turned to Shri Gokak and since April '71 I have been regularly corresponding with him as he represented interest of Baba. I was re-
-quired to request Dr.Krishnamurthy to discontinue be-
-cause of want of funds in Oct. '71, and since then Dr. Magdum was kind to look after the dispensary because as a Co-Trustee he did not want to see the dispensary going down. That is to say we have got from Baba in the course of first ten months only Rs.4,053/- and that too after great efforts. Further we got again after 10 months Rs.497/- and that was after we were forced to release the doctor and the bills for medicines were pending. As Baba was personally unapproachable, and there was none to whom to approach, I had started writing to Dr.Gokak from the time he was in Simla.

In the first place a boring fiasco was made with-
-out asking anyone and when told the gentleman would not listen. Then one does not know with whose permission M/s.Afro were given the job of boring and when they were unsuccessful at ~~xxxx~~ one place and inspite of my telling those who had done the first job that they should go far

down, second boring was ordered only 100 yards in the same line with the first with the result that M/S.Afro got the selfsame stone ridge and were not successful even at 300 feet. The Trust does not know who was responsi--ble for all that and who paid the money.

The second mistake was done without our knowledge and that was a planless building of a 12-bed unit star--ted in November 1971 when I was away in Ghataprabha. This construction which was not attended to by any res--ponsible person went on for one year according to the sweet will of the illiterate contractor and is still ly--ing unfinished and there is no knowing if and when the same will be finished.

As all the work was coming to a complete standstill including the dispensary which could not be run any more for want of finance, I wrote to Sai Baba as a last chance on the 14th March 1972 giving him in short the details of the working of the trust and in the capacity as a Conve--nor-Trustee calling the meeting of the Board of Trustees on the 3rd April 1972 or the nearest date that would suit him. This letter was acknowledged by Dr.Gokak with his letter dated 18th March asking me to fix 5th April as the date of the meeting and then again he wrote on the 15th of April asking us to meet on the 18th April at Brinda--van at 4.15 P.M. After all, just after two years the first meeting of the Trust was held in good spirit when I presented the complete statement of accounts when Baba paid the money that was due and asked us to run the dis--pensary on complete charitable basis without taking even 10 paise for registration and 50 paise for injec--tions and he will bear all the costs. He further told Col.Joga Rao to complete the first Unit of this hospital

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by 15th of August that year for which he had the neces--sary funds. Then he asked the trustees to hold such meeting every fortnight, even if he could not attend & asked us not to make any change about the doctor etc. till the end of the year by which time he expected that the hospital will be functioning. It was a very satis--factory meeting and all were very happy about the con--clusion reached although delayed.

As promised by Baba in the meeting a sum of Rs.10,000 was credited to the account of the trust on the 23rd April and the work of the dispensary started as usual. This time Baba even told to the building contractor Nanjappa to do things according to my instructions and asked him to take away from there the doors & windows which were being made for some other purpose. It all looked so very inviting. Nothing could have pleased me more than this decision and I could not ever dream that all that will be dissolved in the air.

Col.Joga Rao though agreed to finish the part of the work assigned to him but never took any definite steps except ordering out the contractor who was in his opi--nion was not the right man. The contractor did bring afterwards three door frames and window frame of wood which he fixed but since then nothing more has happened. It remains an open mouthed yawning half construction.

After this first meeting there was one other meet--ing in quick succession and that was on the 18th June 1972 when I submitted all sorts of suggestions and that was the last of my meeting with Baba. After that he did not even care to look to us even when we went and stood there in his devotee crown. All my requests to him through my direct & indirect letters have remained unat--tended.

Of the trustees, Shri M.D.Appa has never cared for the trust. He does not even know the land donated nor the dispensary. With great difficulty he attended the above two trust meetings, but he has nothing to say why an educated man like that should have ever become a trus--tee, he ought to have courage to refuse trusteeship if from the very beginning he was averse to it

Shri L.Srinivasa Reddy took a great deal of trouble in early days and he was in favour with Baba. Somehow both himself and Shri Papa Reddy have fallen out from the favour of Baba and do not take any interest in the work of the trust. They are not even replying my cour--teous letters.

As nothing was moving I made another attempt to call a board meeting on the 15th of September after informing them of my intention in advance. I then sent the meet--ing invitation to all by registered post. If Baba could not attend I thought that atleast the remaining trustees would meet discuss matters which were long pending and needed to be thrashed out and placed before Baba for fur--ther action. Then myself & Dr.Magdum went to Brindavan at the settled date and time to find an empty Brindavan as it is always when Baba is not there. It was a great surprise to us that even the two other trustees who were great devotees of Baba should back out. As a last resort we thought of meeting Shri Gokak who lives on the premi--ses. Fortunately he was at home. We told him all the story about which he was very sorry and even said in the course of our talks, that he was sorry that he did not become a trustee. But then he promised that he would write to Baba at once and in the event of his not re--plying, he will talk to him personally when he was sche--dule to go to Puttaparthy on the 25th. As he did not

write to me about the result of his letter to Baba (per-haps he has not at all written) I reminded him on the 22nd not to forget to talk with Baba on this subject as it was not my question but the question of the poor pa-tients who would be the sufferers. As I did not hear from him at all I wrote to him on the 8th Oct. to which he scratched a few lines informing me that in 12 days time he was there, he could not find a minute to talk with Baba on this subject. I was surprised at their de-votion and acceptance of Bana's standing precept to help the poor, but in no way and at any time acting to it.

There are many other instances as could be seen from the continuous correspondence with him and through him to Baba shows that Dr.Gokak has complete aversion for the project which he is deliberately sabotaging.

As he was the man who always brought to me the mo-ney from Baba, I have on the 15th of August again writ-ten to him a very courteous letter and sent to him a bill of the medicines supplied which we could not pay for want of funds. It seems that this highly educated person has not even the politeness and common courtesy which is expected of him.

As I was sitting outside I certainly saw two per-sons passing through the land donated for hospital trust. I called to find out who were there when Dr.Gokak with one Mr.Gangadharan a building contractor came to me and told to me that he has come there to show the land where it is intended to build 50 to 100 huts. I found it very surprising to hear that things were happening without even asking when I as a donor was sitting there. He knew that I am staying here and am also one of the trustees

that meant that even if I have donated the land I had something to say. It was therefore a very common cour--tesy that Dr.Gokak ought to have come to me first and talked the matter over with me before taking the build--ing contractor in the land. On hearing from him about the project, I asked him about the construction of the hospital which ought to be done first and I went with them to the place where the hospital has ~~the~~ to come first. Dr.Gokak told me curtly that it will also be done afterwards. The plan was someone - a building con--tractor had promised to build these huts for Baba. There seemed to be absolutely no planning about it as to who was going to stay there, how were they going to stay, how the water & hygienic facilities were to be met for this small township. They went away without any other indication.

On the 22nd August in the morning Shri Gangadharan appeared with one Shri Shivasankar the Architect and straightway went to the land and started taking measure--ments, as if the land belonged to them. It was most un--businesslike and impolite. I called them and told them to wait with those measurements etc. till everything is clear to me. On the same afternoon I wrote a letter to Dr.Gokak in which I brought to his notice that he was the man who has legally tied me down with a trust deed which says that the land is donated for the building of 30-bed hospital and the necessary buildings for the hospital like various quarters. I therefore object to building of huts on the land which is according to the deed drawn by him will be against the lat. After this letter itseems that the idea of constructing huts was given up but it seems that made Dr.Gokak an enemy of the project and inspite of my various letters to him he did nothing for the trust.

On the contrary it seems that he has become a little re--vengeful as is clearly seen from this letter dated 26th October in which he writes that I should write direct to Baba without any legalities. I have all the copies of letters I wrote to wherein I have only sincerely requested Baba to do something for the dispensary and not even by any stretch of imagination one can find in them any le--gal point raised. I am only sorry to see that an educa--ted man like Gokak should behave like that.

Nothing was being done afterwards and suddenly one morning on the 28 November one Shri Krishnappa came to the dispensary with Architect Shri Chandrashekhar, and they were looking at the place. It seems that they did not even know of my existence. Mrs.Watts from the dis--pensary came and told me, when I went there and intro--duced myself and told them that I am very much intere--sted in the building of the hospital and showed them round, explained to them ~~te~~ everything about which they were very happy and showed their regret that they did not come to first as they did not know anything about me. I never saw them again. Then on the 12th December at ab--out 11.15 A.M. Col.Joga Rao, Dr.Gokak and Shri Appa came in a car. They were in high spirits. Dr.Magdum also happened to be there. They said that they have now come to finalise the things about hospital. Naturally I was happy about it. Only Dr.Gokak had a digat me and said that I threw out someone who came last to see about hospital. This was naturally a false allegation & asked him not to do that without knowing facts. Those who came to me last I treated very cordially. They did not know anything and I showed them. Then I went with them to the

place and told him about the changes they should make and they went away as hurriedly as they came telling me that they must report everything to Baba and they did not see me again.

By the 1st of January 1974 I was forced to close the doors of the dispensary as inspite of many reminders no money was forthcoming and there was no alternative but to take that decision as even for December the money was paid by me.

On the 9th of January Rs.5,000/- was sent by Baba for payment by cheque so that we could start working again. On the same day when I was having my lunch Krishnappa came with one American gentleman Mr.Joe who as I know now stays at Brindavan with one Japanese Architect. They went over the whole land. Mr.Joe was very happy to see the land with so many trees etc. and said that no tree should be cut here and it will make a good hospital. The Japanese architect asked some questions and went back sa--tisfied. I was very happy as I thought that now some--thing will be done. However I did not hear anything about it. I only learnt later that the drawings and sug--gestions made by the Japanese were found very costly and therefore dropped.

March 27, 1974. It was Wednesday and Dr.Magdum was here. Col.Joga Rao came here with one Shri Gopi who was to attend to the building works hereafter. Gopi promised to come again, but he never showed his face. Do not know what happened to this arrangement. I was waiting without any hope that at any time something would happen. Saturday 20th April when I was there with Shri Koujalgi who had come on visit, Col.Joga Rao came in a very great hurry. He had in the car Dr.Bhagwantam and some other people.

He came out and showed to me the new drawings which he had made this time with lavatory arrangements behind the two wards which he had planned. It was all in a hurry. I saw it and was glad that some change has taken place but it was all for me a lost play till something takes shape in reality.

August 74. Again I am sitting here on the last leg There is no money in the Bank to pay for medicines and again we have reached the stage of closing the dispensary. As usual I have written to Dr.Gokak and sent to him also the medicine bill and as usual inspite of my request to reply Dr.Gokak is adamantly negative, and whether to run further ~~against~~ is again the question before us. Dr. Magdum wants to run even at his own cost.

I have passed through the most ugly experiences with the politics & politicians of the country, in economic and social field for which Mrs.Mayer came here all the way and went back because her work was not appreciated and also the economic field and thought spirituality & religion about which we Indians are so very proud will save me from my predicament and turned my attention wholly & solely to Shri Satya Sai Baba the great reli--gious savant of this place and am waiting for that great solution for the last ~~for~~ four & quarter years. And that is the end of the story of my life.

August , 1974. (N.G.GAMPULEY)

As wrote before the last money which was paid by Baba towards the expenses of Dispensary was Rs 5000.-- which was paid by Dr Gokak with a letter that the same money must last for 9 months I had acknowledged the receipt of this letter and wrote to Dr Gokak that in the first place that money was not from the first of January but from the 1st of December 1973 which was overdue and secondly I pointed out that one cannot stipulate the period in which the amount should be used,as that would mean that we should only treat that much number of patients and turn away the rest. The approximate amiunt of Rs 500 to Rs 600.-- included also Rs 100.-- to be paid to Dr Magdum as a part of his patroleum costs which was the least and Rs 90.-- for the Nurse also the least that was possible and Rs 25.-- per month for washing and cleaning daily. That meant one had only Rs 300.-- approxomately for the medicines which were getting dearer and the patients who were workers wanted only injections which they thought and was true to some extent give them quicker relief so that they could attend to work soon getting more. At about this time the number of patients attending daily was also fast increasing and it had been on days more than 90. Educated man like Dr Gokak before writing this letter asking us to use Rs 5000.-- only for fine months ought to have thought about this. But it seems that it was not his consideration. However,inspite of this most illogical demand from persons like Sai Baba who wanted the dispensary to be run on complete charitable basis,transfered to us through Dr Gokak, Dr Magdum with help from his ownself and other quarters managed to run the dispensary longer for more than two months of which we gave timely information both to Baba and to Dr Gokak who had always been the intermediary.

Afterwards without any consultation with us or previous information we got one day a letter from Dr Gokak as a convenor to the effect that Sai Baba does not like to have anything to do with institutions and that hereafter we should send our Bills to the Convenor Mysore state Trust formed by Sai Baba

to whom our previous Bills which we had sent to Dr Gokak was also sent. This was something quite new to us. Sai Baba might have formed another Trust of his very many activities but that had nothing to do with Satya Sai Health and education Trust formed in the year 1970 with a special objective of building hospital which was an independant body and could not be affilia ted to any other body without calling a meeting and getting sanction for such a transfer from othertrustees and partiau - larly from the donor who has donated that land for that partiwular purpose. I brought this to the notice of Dr Gokak who was the mediator and requested him often to meet me for discussion but he had carefuly avoided any meeting with me and neither saw to it that the convenor of the otner Trust Shri Krishnamoorthy came to meet me for discussion. They decided amongst themselves that the money required for the Dispensary here should come through them and that one Mr Iyengar was authorised to check the accounts for the money paid. This was all most unreasonable and arbitrary arrangement carried out to suit them because they thought that we are depen dent on Baba for the money to run the dispensary, and all that belonged to Baba belonged to them. This was a totaly wrong concep tion from the point of this special trust with which Baba should reckon independently.

Then one day without previous consultation this Trust sent to me a cheque for Rs 1000.-- for the use of the dispensary. As I did not know in what relation this trust stood with the other I was not prepared to accept the money and sent it back. After some days the long expected Shri Krishnamoprthy the convenor Trustee of that trust together with Iyengar came to me one evening and requested me to acceptthat cheque for the time in order to keep the dispensary running and they will see for it that regularly Rs 6000.-- would go to us for this purpose on account of Sai Baba, having already incurred expenses towards the dispensary and this assurance from Shri Krishnamoorthy who promised to come to me in a few days with Col Joga Rao supposed to be the right hand man of Baba , Inccepted the Rs 1000.--

in cheque with clear understanding that the same is coming from Baba .Shri Krishnamoorthy did not turn up as promised. In the meantime I had fulfilled my part of the arrangement of showing to Shri Iyengar the accounts ~~of~~ of the Dsipensary, as it was decided that the amount of Rs Rs 6000.-- our approximate yearly expense for the dispensary will be sent as soon as the accounts are found satisfactory. The accounts were always uptodate and satisfactory but neither Baba nor anyone cared to see the same and I was glad that someone has been appointed forthat purpose which was in my opinion a great progress. In the meantime trusting their word and their writing I was making purchases for the requirments or the dispensary in the form of medicines etc but instead of promised Rs 6000.-- I was again asked to accept a cheque for Rs 2000.-- which I accepted in good faith and in order to cover the expenses made but wrote in the meantime that I shall close the dispensary if I do not get any satisfactory explanation from Baba of all these doings.

For that purpose I also requested my friend Shri H.S.Datar Senior Advocate Supreme Court to write to Shri Satya Sai Baba personaly which he did on the 24 Sept 1974. But unfortunately no otoice was taken of the same. As Baba was not writing anything or calling us as the trustees to meet and I was groping in the dark , I was compelled to take advise of an advocate friend Shri S.W. Arabatti. However before asking him to write I at the advise of Shri H.S. Datar wrote to Shri Satya Sai Baba on the 13th Dec to the effect that if no begining is done on the work of the Hospital by the end of the year, I shall hand over the thing to my lawyer. Perhaps as a result of this, Baba sent out one Nanjappa, who had done the previous messin 1972, with one Shri Krishnamoorthy as super vising engineer to start the work on the hospital according to a new plan which was equaly calfhazard. This man started idgging without any consideration so much so that even the supervising engineer Shri Krishnamoorthy got disgusted and left the work and after doing the useless digging the work stopped abruptly on the 5th January 1975 and the same is lying in that condition even today. Then on the 21st of January Shri Iyengar brought with him Shri Shetty

belonging to the Government as I was told by Iyengar with another engineer who first went about to see the half built structure and then the digging of which they could not make out anything. However as Shri Iyengar called me to meet them, I requested the gentlemen to see all the land that has been given for this purpose and when they came and saw the great expanse of the land at the disposal they were surprised why the begining was made there about 42 feet from the main road when acres behind are lying waste. Shri Shetty on seeing the land said that it is good not for 30 but for 300 beds and I shall submit my plans accordingly.

Col Joga Rao, as far as ~~I~~ I know seems to be a good man greatly devoted to Baba with ideas of construction etc and with a good staff of architects and engineers at his disposal. It is one thing to draw beautiful drawings of a building in an office room and it is quite another to make out a sketch of the building taking into consideration the land at the disposal and the surrounding in which it has to be built. Atleast this work has been done very superficialy, without any aesthetic sense, sense of beauty and grandeur. Even the best drawing and conception ~~looses~~ of architecture looses its charm and beauty with the surroundings on which you build it. I had given a spacious land with a garden like surroundings and back ground just suited for the hygenic purpose of an Hospital. It could have been made a best landmark as Hospital in the name of Baba, but instead Col Joga Rao had started work only 42 feet from the bussy main Road and in the total area of one and half acres while so much of empty space was lying behind. There was no drive in, no place of car parking In short there was not even a complete planning showing latrines out houses doctors quarters nurses quarters, cantine and so on necessary for a 30 bed hospital. The first plan was only a frontage on which the work was started even cutting down the existing good trees and some nice sitting arrangements I had previously made for the patients of the Dispensary. Baba is considered as a superman, a religious savant and etherial prodigy

He did not make the plans but trsuted someone. He could have as well taken us the co-trustees of who were equaly interested in seeing a monumental thing being errected here in the name of Baba placed in between the beautiful garden like surroundings But the slipshod work started without any consideration and good money spent. The half finished structure lying here since 1972 and is said to have cost Rs 50.000 Had I anything to say inthat I would have built two structures like that instead of one and that too complete. Moreover why we wanted such a fortress like this thing for an hospital for the rural area. Even barack like structures built in British times as hospitals for the army in Bangalore are beautiful and sound even today and we have built here a cement structure. At that time someone from Bhaktas even advised the contractor to put on the roof the bathroom tiles, about no one cared to see that there was one toilet built in the middle of this structure meant for 12 patients and their relatives and visitors. It was no concern of anyone.

At one time this land meant for hospital and the buildings necessary for hospital, was to be used for building 50 to 100 hutments for the so called Bhaktas loafing about without the least sense of work and duty.

Now after the work was ultimately stopped of constructing hospital and even after my frequent writing that for the want of funds I shall have to close down the Dispensary which I had been running for 7 years. I was actualy forced to close down the dispensary from the 1st of March and at the same time to request my advocate to write to Shri Satya Sai Baba and also the Dr Gokak who has been always representing him. This was only a feeler as we wanted first to see how the trust acts in future and for that sake we first called the meeting of all the trustees on 15th March 1975 to which no one except myself and Dr Nagdum were present even the letter to that effect sent through Baba came back. That showed the complete apathy of the working of the trust. And with this last act I exhausted every possibility of doing anything in good straightforward manner

righteou s and godly way of friendly understanding was open to all which I wanted to take inszead of going to court. Not only no one attended the meetings called to take some decisipn about the working of the Trust but even the letters by Shri Arabatti dated 26.2 on Baba and Dr Gokak which only gave an indication of legal action , were not attended to either by Baba or Dr Gokak.

As I could not meet Shri Arabatti often we could not follow up our writing - but were waiting before deciding about furtner move in that direction.

Then on the 27th according to the information of Yelsamma w ho was going to the post with my letters after the meal and I was resting when she saw two persons at the door ofthe Dispensary. One person she immediately recognised as Baba only because of hairdress but otherwise he was not in his usual Safron overall but it was this time blac which no one had ever seen. There were other people round about wondering what could Baba be doing here at that hour and that too in a black and not in his usual caf but a black Taxi. He went abound the dispe-sary and went through the half built hospital construction saw the digging round about hen Yelsamma asked the driver first in canerese he said that he does not understand canarese and then the following conversation was made. The driver asked as to since when the dispensary is closed to which she replied that it is since 1st March. Then he asked as to whether patients come and since when Dr Nagdum has ceased to come and whether it was opne from from 10 in the morning to 1 PM Naturaly all these questions could not have been from the driver but these were from Baba who knew everything about t and wanted the same to be confirmed. He then went away towards Kadugodi. I only knew about it after I was out and when Yelsamma told me about it. I do not understand why this secrative eppearance. Baba could have as well called me and I would have gladly given to him every information. I could only guess that this might have been the r sult of the letter from Shri Arabatti and Baba wanted to make an independent study of things, to convince himself of the facts

facts and there must be some discussion about it in his nearest circle. I only fail to understand as to why everything is being done in secret. It was easy to call me and talk over things with me freely as man to man and he would have got every information and we could have then discussed and decided what we could you- be done to improve matters respectively found out a formula to expidite the work and make it as cheap and decent as possible. The main object being to bring some happiness and comfort tothe suffering poor for which they did not deed palatial buildings. They would be more happy in Baracks. What they needed is the attandance of a doctor and nurse who would help them out of their maladies.

Then all of a sudden two days afterwards Shri Iyengar of the State Trust came to me in the morning of the 29th and wanted to see the accounts. As there was almost nothing to show as I had not taken any fresh money I told him accordingly and refused to show anything as for me everything was at an end. I,however,asked him that if he wanted to see the accounts and talk to me about future he should kindly ask the men at the head of the new Trust to come and meet me- Although he was no very sure about it still he came back at about 12 PM the same day and told me that they would come and meet me at 6 PM. I wondered at this decision but was happy about it and accordingly made all the preparations to meet them atthat time as guests of my house.

I waited for them till 7.15 PM but as no one came and never hopping to see them after that time I went to bed to read as I am used to. I was not on the bed for 10 minutes when they arrived Naturaly I was very much upset at first. That was our first meeting and according to my code of behaviour it was insulting to go to anyone at that hour after fixing a time of 6 PM . However I did not want to be rude and came out in my night gown to receive them. I spent about one and half hour with them telling them , as much as I can about the Trust, and about myself about which they knew nothing. Practicaly all the time was taken by me trying to tell them about the working of the Trust and also about my 60 years of work in the service of my people and my country, which as I showed

through only a few letters written to me by one of our Presidents Dr Zakir Hussain and my work with Shri Subhash Bose. They showed great interest in all that and promised to put ~~every~~ every thing before Baba and atleast to make a begining with whatever we have already got and then to plan for greater things. They were full of praise but that was all as they left without giving me any idea as to when I should expect to hear from them and when we should ~~think~~ think that a start will be made to opne the Dispensary with a full time Doctor and a nurse which was according to them very essential. I thought about it afterwards with great concern that all the talk was only one sided. I had received nothing definite from the other side except the praise but no concrete proposals about the work to be done in some settled course of time. It was all so very vague.

I therefore wrote on the 31st March to the head of this small delegation Shri Shivappa, who was supposed to look after this, asking him to confirm the talks and let me know what I should expect from them and when. I followed with second letter on the 1st April again to let me no soon about the fate of the Dsipensary as I shall have to decide about the closure of Water and electric Energy. But these three great shrewd men who visited me had not the ordinary courtesy to reply to my letters and to let me know as to what is being done about which they talked so very profusely. To my letters I received no reply Again after waiting for some time I wrote both to Shri Satya Sai Baba and to Shri Shivapua on the 9th of April but as usual even these letters have remained unanswered.

This is the long and short of the great event in my life when in all the good faith and good intentions of doing some service to the poor and needy of this locality, I enter into a trust with one great accepted holy Man of this place Shri Satya Sai Baba offering from my side about 7 1/2 acres of worth today more than Rupees eight lacks and the running dispensary building against the promise and assurrance from Baba to Build on it a 30 bed Hospital and other buildings necessary for that purpose. This was done in the year 1970 April out to this day notaing has been done except planless denecra ting the land with dugouts and half finished structure of a socalled

12 bed unit done without any consideration of cost or utility and even ultimately closing down the charitable dispensary of which ~~my~~ a-smany as 80 to 90 patients daily were taking advantage and for the upkeep of which Dr Magdum the retired CMO of HAL and one of the trustees was offering free service till the 1st of March 1975 and Shri Ganguley the Donor of the land and convenor Trustee was looking to the administrative side of the same. With great pains both of us have to become witnesses of the downfall and destruction of this great humanatarian work and that too at the hands of a divine personality of the stature of Shri Satya Sai Baba of Brindavan Kadugodi

the true statement of things till 22nd April 1975, ~~fairlands~~